

COMPLIANCE REVIEW REPORT

DEPARTMENT OF CONSUMER AFFAIRS

Compliance Review Division
State Personnel Board
September 4, 2026

TABLE OF CONTENTS

INTRODUCTION.....	1
EXECUTIVE SUMMARY.....	2
BACKGROUND	4
SCOPE AND METHODOLOGY	4
FINDINGS AND RECOMMENDATIONS	6
EXAMINATIONS	6
APPOINTMENTS	10
EQUAL EMPLOYMENT OPPORTUNITY	14
PERSONAL SERVICES CONTRACTS.....	15
MANDATED TRAINING	18
COMPENSATION AND PAY.....	20
LEAVE.....	28
POLICY AND PROCESSES.....	34
DEPARTMENTAL RESPONSE	36
CORRECTIVE ACTIONS.....	36

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 Division (CRD) 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 CRD 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 CRD conducted a routine compliance review of the Department of Consumer Affairs (DCA) 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	Compliance	Finding
Examinations	In Compliance	Examinations Complied with Civil Service Laws and Board Rules
Examinations	In Compliance	Permanent Withhold Actions Complied with Civil Service Laws and Board Rules
Appointments	Out of Compliance	Probationary Evaluations Were Not Provided for All Appointments Reviewed and Some That Were Provided Were Untimely
Appointments	Substantial Compliance ¹	Department Complied with Records Retention Requirements with One Exception
Appointments	In Compliance	Unlawful Appointment Investigations Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines
Equal Employment Opportunity	Out of Compliance	Complainants Were Not Notified of the Reasons for Delays in Decisions Within the Prescribed Time Period
Equal Employment Opportunity	Out of Compliance	A Disability Advisory Committee Has Not Been Actively Maintained
Personal Services Contracts	In Compliance	Personal Services Contracts Complied with Procedural Requirements

¹ The department has achieved 90% or more compliance in this area and has provided a response sufficient to address full compliance in the future; therefore, no corrective action is required.

Area	Compliance	Finding
Mandated Training	Out of Compliance	Ethics Training Was Not Provided for All Filers
Mandated Training	Out of Compliance	Supervisory Training Was Not Provided for All Supervisors, Managers, and CEAs
Compensation and Pay	In Compliance	Salary Determinations Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines
Compensation and Pay	In Compliance	Exceptions to Salary Rules Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines
Compensation and Pay	In Compliance	Alternate Range Movements Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Compensation and Pay	In Compliance	Bilingual Pay Authorizations Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Compensation and Pay	Substantial Compliance	Pay Differential Authorizations Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines with One Exception
Compensation and Pay	Out of Compliance	Incorrect Authorization of Out-of-Class Pay
Leave	Out of Compliance	Positive Paid Temporary Employees' Work Exceeded Time Limitations
Leave	Out of Compliance	Administrative Time Off Was Not Properly Documented
Leave	In Compliance	Leave Auditing and Timekeeping Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Leave	Substantial Compliance	Service and Leave Transactions Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines with One Exception
Policy	In Compliance	Nepotism Policy Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines

Area	Compliance	Finding
Policy	In Compliance	Workers' Compensation Process Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Policy	Out of Compliance	Performance Appraisals Were Not Provided to All Employees

BACKGROUND

The DCA protects California consumers by providing a safe and fair marketplace through oversight, enforcement, and licensure. Comprising of 37 boards and bureaus, the DCA regulates over 3.9 million licenses in more than 250 various professions and occupations. These regulatory entities protect, educate, and empower California consumers by investigating complaints and disciplining licensees who violate practice requirements. To achieve this mission, the DCA employs approximately 3,585 staff in approximately 100 field offices throughout the state of California.

SCOPE AND METHODOLOGY

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

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

A cross-section of the DCA's appointments was selected for review to ensure that samples of various appointment types, classifications, and levels were reviewed. The

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

CRD examined the documentation that the DCA provided, which included Notice of Personnel Action (NOPA) forms, Request for Personnel Actions, vacancy postings, certification lists, transfer movement worksheets, employment history records, correspondence, and probation reports. The CRD also reviewed the DCA's policies and procedures concerning unlawful appointments to ensure departmental practices conform to state civil service laws and Board regulations.

The DCA's appointments were also selected for review to ensure the DCA applied salary regulations accurately and correctly processed employees' compensation and pay. The CRD examined the documentation that the DCA provided, which included employees' employment and pay history and any other relevant documentation such as certifications, degrees, and/or the appointee's application. Additionally, the CRD reviewed specific documentation for the following personnel functions related to compensation and pay: bilingual pay, monthly pay differentials, alternate range movements, and out-of-class assignments.

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

The DCA's mandated training program was reviewed to ensure all employees required to file statements of economic interest were provided ethics training, that all supervisors, managers, and those serving in Career Executive Assignments (CEA) were provided leadership and development training, that all employees were provided sexual harassment prevention training, and that all officials with authority to represent the state in a tribal government-to-government consultation were provided tribal consultations training within statutory timelines.

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.

The CRD reviewed the DCA's monthly internal audit process to verify all leave input into any leave accounting system was keyed accurately and timely and ensure the department certified that all leave records have been reviewed and corrected if necessary. The CRD selected a small cross-section of the DCA's units in order to ensure they maintained accurate and timely leave accounting records. Part of this review also examined a cross-section of the DCA's 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 CRD reviewed a selection of the DCA employees who used Administrative Time Off (ATO) in order to ensure that ATO was appropriately administered. Further, the CRD reviewed a selection of DCA positive paid employees whose hours are tracked during the compliance review period in order to ensure that they adhered to procedural requirements.

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

The CRD received and carefully reviewed the DCA's written response on August 25, 2026, 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 determining 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, 2025, through March 31, 2026, the DCA conducted 35 examinations. The CRD reviewed 14 of these examinations, which are listed below:

Classification	Exam Type	Exam Components	Final File Date	No. of Apps
Athletic Inspector	Open	Training and Experience (T&E) ⁴	1/15/26	8
CEA B, Chief Division of Investigation	CEA	Statement of Qualifications ⁵	1/21/26	8
Deputy Chief, Investigations & Enforcement, DCA	Open	T&E	3/16/26	2
Field Representative, Board of Funeral Directors and Embalmers	Open	Supplemental Application (SA) ⁶	1/15/26	2
Inspector II, DCA	Open	Education and Experience (E&E) ⁷	3/16/26	11
Medical Consultant (Enforcement), Medical Board of California	Open	SA	11/17/25	7

⁴ 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.

⁵ In a Statement of Qualifications 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.

⁶ In a supplemental application examination, applicants are not required to present themselves in person at a predetermined time and place. Supplemental applications are in addition to the regular application and must be completed in order to remain in the examination. Supplemental applications are also known as "rated" applications.

⁷ In an Education and Experience examination, one or more raters reviews the applicants' Standard 678 application forms, and scores and ranks them according to a predetermined rating scale that may include years of relevant higher education, professional licenses or certifications, and/or years of relevant work experience.

Classification	Exam Type	Exam Components	Final File Date	No. of Apps
Nursing Education Consultant	Open	E&E	12/15/25	9
Private Postsecondary Education Specialist	Open	T&E	10/15/25	2
Private Postsecondary Education Administrator	Open	T&E	11/17/25	2
Property Appraiser/Investigator	Open	T&E	10/15/25	2
Structural Pest Control Board Specialist	Open	T&E	3/16/26	1
Supervising Inspector, Board of Pharmacy	Promotional	E&E	12/15/25	2
Supervising Investigator I, DCA	Open	T&E	10/15/25	10
Supervising Special Investigator II (Non-Peace Officer)	Promotional	T&E	11/17/25	8

FINDING NO. 1	EXAMINATIONS COMPLIED WITH CIVIL SERVICE LAWS AND BOARD RULES
----------------------	--

The CRD reviewed 1 CEA, 2 departmental promotional, and 11 open examinations which the DCA administered in order to create eligible lists from which to make appointments. The DCA published and distributed examination bulletins containing the required information for all examinations. Applications received by the DCA 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 CRD found no deficiencies in the examinations that the DCA 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.) Permanent appointments and promotions

within the state civil service system shall be merit-based, ascertained by a competitive examination process. (Cal. Const., art. VII, § 1, subd. (b).) If a candidate for appointment is found not to satisfy the minimum qualifications, the appointing power shall provide written notice to the candidate, specifying which qualification(s) are not satisfied and the reason(s) why. The candidate shall have an opportunity to establish that s/he meets the qualifications. (Cal. Code Regs., tit. 2, § 249.4, subd. (b).) If the candidate fails to respond or fails to establish that s/he meets the minimum qualification(s), the candidate's name shall be removed from the eligibility list. (Cal. Code Regs., tit. 2, § 249.4, subd. (b)(1), (2).), (HR Manual, section 1105.) The appointing authority shall promptly notify the candidate in writing and shall notify the candidate of his or her appeal rights. (*Ibid.*) A permanent withhold does not necessarily permanently restrict a candidate from retaking the examination for the same classification in the future; however, the appointing authority may place a withhold on the candidate's subsequent eligibility record if the candidate still does not meet the minimum qualifications or continues to be unsuitable. (HR Manual, Section 1105). State agency human resources offices are required to maintain specific withhold documentation for a period of five years. (*Ibid.*)

During the period under review, October 1, 2025, through March 31, 2026, the DCA conducted 11 permanent withhold actions. The CRD reviewed eight of these permanent withhold actions, which are listed below:

Exam Title	Reason Candidate Placed on Withhold	No. of Withholds
Associate Governmental Program Analyst	Failed to Meet Minimum Qualifications.	2
Information Technology Specialist I	Failed to Meet Minimum Qualifications.	1
Office Technician (Typing)	Failed to Meet Minimum Qualifications.	1
Program Technician II	Failed to Meet Minimum Qualifications.	1
Special Investigator	Failed to Meet Minimum Qualifications.	1
Staff Services Analyst	Failed to Meet Minimum Qualifications.	1
Staff Services Manager I	Failed to Meet Minimum Qualifications.	1

FINDING NO. 2	PERMANENT WITHHOLD ACTIONS COMPLIED WITH CIVIL SERVICE LAWS AND BOARD RULES
----------------------	--

The CRD 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.) The hiring process for eligible candidates chosen 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, March 1, 2025, through August 31, 2025, the DCA made 330 appointments. The CRD reviewed 49 of these appointments, which are listed below:

Classification	Appointment Type	Tenure	Time Base	No. of Appts.
CEA, Office of Student Assistance and Relief Chief	CEA	Non-Tenure	Full Time	1
Associate Governmental Program Analyst	Certification List	Permanent	Full Time	3
Associate Management Auditor	Certification List	Permanent	Full Time	1
Associate Personnel Analyst	Certification List	Permanent	Full Time	1

Classification	Appointment Type	Tenure	Time Base	No. of Appts.
Attorney III	Certification List	Permanent	Full Time	1
Automotive Program Representative	Certification List	Permanent	Full Time	1
Environmental Scientist	Certification List	Permanent	Full Time	1
Information Officer II	Certification List	Permanent	Full Time	1
Information Technology Associate	Certification List	Permanent	Full Time	2
Information Technology Specialist I	Certification List	Permanent	Full Time	1
Information Technology Specialist II	Certification List	Permanent	Full Time	1
Inspector II DCA	Certification List	Permanent	Full Time	1
Investigator	Certification List	Permanent	Full Time	2
Management Services Technician	Certification List	Permanent	Full Time	1
Manager II	Certification List	Permanent	Full Time	1
Office Technician (Typing)	Certification List	Permanent	Full Time	1
Office Technician (Typing) (LEAP)	Certification List	Limited Term	Full Time	1
Program Representative II (Specialist), DCA	Certification List	Permanent	Full Time	2
Program Technician II	Certification List	Permanent	Full Time	2
Program Technician II (LEAP)	Certification List	Limited Term	Full Time	1
Program Technician III	Certification List	Permanent	Full Time	2
Program Technician III (LEAP)	Certification List	Limited Term	Full Time	1
Research Data Specialist I	Certification List	Permanent	Full Time	1
Research Data Specialist II	Certification List	Permanent	Full Time	1
Senior Legal Analyst	Certification List	Limited Term	Full Time	1
Special Investigator	Certification List	Permanent	Full Time	1
Staff Services Analyst	Certification List	Permanent	Full Time	1
Staff Services Analyst (LEAP)	Certification List	Limited Term	Full Time	2
Staff Services Management Auditor	Certification List	Permanent	Full Time	1
Supervising Program Technician II	Certification List	Permanent	Full Time	1
Supervising Special Investigator I (Non-Peace Officer)	Certification List	Permanent	Full Time	2
Supervisor I	Certification List	Permanent	Full Time	1
Supervisor II	Certification List	Permanent	Full Time	1
Air Quality Engineer I, DCA	Transfer	Permanent	Full Time	1

Classification	Appointment Type	Tenure	Time Base	No. of Appts.
Associate Governmental Program Analyst	Transfer	Permanent	Full Time	1
Automotive Program Representative	Transfer	Permanent	Full Time	1
Investigator	Transfer	Permanent	Full Time	1
Program Technician II	Transfer	Permanent	Full Time	1
Program Technician III	Transfer	Permanent	Full Time	1
Supervisor I	Transfer	Permanent	Full Time	1

FINDING NO. 3	PROBATIONARY EVALUATIONS WERE NOT PROVIDED FOR ALL APPOINTMENTS REVIEWED AND SOME THAT WERE PROVIDED WERE UNTIMELY⁸
----------------------	---

Summary: The DCA did not provide 26 of the 114 probationary reports of performance requested for review by the CRD. In addition, the DCA did not provide 35 probationary reports of performance in a timely manner.

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 on 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).)

⁸ Repeat finding; see reports dated January 12, 2024, May 14, 2020, and December 22, 2015.

FINDING NO. 4	DEPARTMENT COMPLIED WITH RECORDS RETENTION REQUIREMENTS WITH ONE EXCEPTION
----------------------	---

Summary: Of the 49 appointments reviewed, the DCA did not retain one NOPA.

Criteria: As specified in section 26 of the Board's Regulations, appointing powers are required to retain records related to affirmative action, equal employment opportunity, examinations, merit, selection, and appointments for a minimum period of five years from the date the record is created. These records are required to be readily accessible and retained in an orderly and systematic manner. (Cal. Code Regs., tit. 2, § 26.)

Unlawful Appointment Investigations

Departments that entered into an Unlawful Appointment Investigation Delegation Agreement between their executive management and the 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. 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 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, October 1, 2025, through March 31, 2026, the DCA conducted two unlawful appointment investigations. The CRD reviewed the two unlawful appointment investigations, which are listed below:

Classification	Date Investigation Initiated	Date Investigation Concluded
Information Technology Associate	3/12/25	1/13/26
Staff Services Analyst	12/2/25	12/18/25

FINDING NO. 5	UNLAWFUL APPOINTMENT INVESTIGATIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES
----------------------	---

The DCA's unlawful appointment investigations were found to comply with the rules set forth in the signed Delegation Agreement with the CalHR.

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).)

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. 6	COMPLAINANTS WERE NOT NOTIFIED OF THE REASONS FOR DELAYS IN DECISIONS WITHIN THE PRESCRIBED TIME PERIOD
----------------------	--

Summary: The DCA provided evidence that eight discrimination complaints related to a disability, medical condition, or denial of reasonable accommodation were filed during the compliance review period of April 1, 2025, through March 31, 2026. Three of the eight complaint investigations exceeded 90 days and the DCA failed to provide written communication to the complainant regarding the status of the complaint.

Criteria: The appointing power must issue a written decision to the complainant within 90 days of the complaint being filed. (Cal. Code Regs., tit. 2, § 64.4, subd. (a).) If the appointing power is unable to issue its decision within the prescribed time period, the appointing

power must inform the complainant in writing of the reasons for the delay. (*Ibid.*)

FINDING NO. 7	A DISABILITY ADVISORY COMMITTEE HAS NOT BEEN ACTIVELY MAINTAINED
----------------------	---

Summary: The DCA 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).)

Personal Services Contracts

A PSC includes any contract, requisition, or purchase order under which labor or personal services are 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. PSCs 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, 2025, through March 31, 2026, the DCA had 48 PSC's that were in effect. The CRD reviewed 29 of these, which are listed below:

Vendor	Services	Contract Amount	Justification Identified?	Union Notification?
A&E Industrial Cleaning Equipment	Maintenance and Repair	\$209,563	Yes	Yes
Alan R. Alvord	Training	\$11,550	Yes	Yes
Association of State Provincial Psychology Boards	Examination Services	\$5,700	Yes	Yes
Behavior Analysis Training LLC	Training	\$49,450	Yes	Yes
C&N Automotive Training Specialists	Training	\$49,998	Yes	Yes
CA Smog & Automotive Institute	Training	\$1,550	Yes	Yes
CG Parent Intermediate HLDGS	Subscription and Educational Tools and Resources	\$31,292	Yes	Yes
Foothill Transcription Company, Inc	Transcription of Audio and Video	\$80,975	Yes	Yes
Garvey Equipment Company	Maintenance and Repair	\$16,440	Yes	Yes
General Logistics Systems US, Inc	Delivery Services	\$5,000	Yes	Yes
InaBind Systems, Inc	Maintenance	\$4,950	Yes	Yes
Isaiah Hernandez	Vehicle Operative	\$9,999	Yes	Yes
Kennedy Court Reporters, Inc	Transcription	\$20,250	Yes	Yes
Lifelong Learner Enterprises LLC	Firearms Assessment	\$36,000	Yes	Yes
Matthew Bender & Company, Inc	Publication Copying and Delivery	\$10,501	Yes	Yes
Matthew Bender & Company, Inc	Publication and Printing	\$8,280	Yes	Yes
Matthew Bender & Co Inc	Publication, Printing and Distribution	\$12,724	Yes	Yes

Vendor	Services	Contract Amount	Justification Identified?	Union Notification?
Micro Precision Calibration, Inc	Equipment Maintenance	\$2,581	Yes	Yes
Micro Precision Calibration, Inc	Equipment Maintenance	\$9,711	Yes	Yes
Monterey Cypress Appraisal, Inc	USPAP Update Course	\$3,745	Yes	Yes
National Institute for Automotive Service Excellence	Examination Services	\$49,904	Yes	Yes
Rossi Automotive Equipment, Inc	Maintenance and Repair	\$19,080	Yes	Yes
Shaw Law Group	Confidential Investigative Services	\$27,625	Yes	Yes
Skillsets Online Corporation	Training	\$9,445	Yes	Yes
TFC Building Maintenance, LLC	Janitorial	\$53,640	Yes	Yes
Top Notch Integrated Pest Management	Pest Control	\$31,175	Yes	Yes
University of California, Berkeley	Scientific Research	\$329,709	Yes	Yes
Vault Workforce Screening	Drug Testing	\$8,000	Yes	Yes
Western Energy Support & Technology, Inc	Calibration	\$1,689	Yes	Yes

FINDING NO. 8	PERSONAL SERVICES CONTRACTS COMPLIED WITH PROCEDURAL REQUIREMENTS
----------------------	--

The total dollar amount of all the PSC's reviewed was \$1,110,526. It was beyond the scope of the review to make conclusions as to whether DCA justifications for the contract were legally sufficient. For all PSC's reviewed, the DCA provided specific and detailed factual information in the written justifications as to how each of the contracts met at least one condition set forth in Government Code section 19130, subdivision (b). Additionally, DCA complied with proper notification to all organizations that represent state employees who perform or could perform the type or work contracted as required by California Code of Regulations section 547.60.2. Accordingly, the DCA PSCs 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) and (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).)

Within 12 months of the initial appointment of an employee to a management or 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.*)

New employees must be provided sexual harassment prevention training within six months of appointment. Thereafter, each department must provide its supervisors two hours of sexual harassment prevention training and non-supervisors one hour of sexual harassment prevention training every two years. (Gov. Code, § 12950.1, subds. (a) and (b); Gov. Code, § 19995.4.)

The Legislature encourages the state and its agencies to consult on a government-to-government basis with federally recognized tribes and with nonfederally recognized tribes and tribal organizations in order to allow tribal officials the opportunity to provide meaningful and timely input in the development of policies, programs, and projects that have tribal implications. (Gov. Code, § 11019.81, sub. (c).) Each official specified in

Government Code section 11019.81 subdivision (f)⁹ shall complete tribal consultations training by January 1, 2025, or, for officials appointed after that date, within six months of their appointment or confirmation of appointment, whichever is later. (Gov. Code, § 11019.81, sub. (h).) Each official shall retake the training annually. (*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 CRD reviews documents and records related to training that appointing powers are required by the afore-cited laws to provide its employees.

The CRD reviewed the DCA's mandated training program that was in effect during the compliance review period, April 1, 2024, through March 31, 2026. The DCA's sexual harassment prevention training and tribal consultations training were found to be in compliance, while the DCA's supervisory training and ethics training were found to be out of compliance.

FINDING NO. 9	ETHICS TRAINING WAS NOT PROVIDED FOR ALL FILERS¹⁰
----------------------	---

Summary: The DCA did not provide ethics training to 53 of 100 existing filers. In addition, the DCA did not provide ethics training to 35 of 70 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).)

⁹ Within the executive branch, the following officials have authority to represent the state in a tribal government-to-government consultation: the governor, the attorney general, each constitutional officer and statewide elected official, the director of each state agency and department, the chair and executive officer of each state commission and task force, and the chief counsel of any state agency. (Gov. Code, § 11019.81, sub. (f) (1).) Each authorized official may formally designate another agency official to conduct preliminary tribal consultations, and each designated official may have the authority to act on behalf of the state during a government-to-government consultation. (Gov. Code, § 11019.81, sub. (f) (2).)

¹⁰ Repeat finding; see reports dated January 12, 2024, and May 14, 2020.

FINDING NO. 10	SUPERVISORY TRAINING WAS NOT PROVIDED FOR ALL SUPERVISORS, MANAGERS, AND CEAS
-----------------------	--

Summary: The DCA did not provide basic supervisory training to 23 of 71 new supervisors within 12 months of appointment; did not provide manager training to 5 of 6 new managers within 12 months of appointment; and did not provide CEA training to 3 of 5 new CEAs within 12 months of appointment.

Criteria: Each department must provide its new supervisors a minimum of 80 hours of supervisory training within the probationary period. (Gov. Code, § 19995.4, subd. (b).)

Upon initial appointment of an employee to a managerial position, each employee must receive 40 hours of leadership training within 12 months of appointment. (Gov. Code, § 19995.4, subd. (d).)

Upon initial appointment of an employee to a CEA position, each employee must receive 20 hours of leadership training within 12 months of appointment. (Gov. Code, § 19995.4, subd. (e).)

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 rate¹¹ 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.

¹¹ "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, March 1, 2025, through August 31, 2025, the DCA made 330 appointments. The CRD reviewed 22 of these appointments to determine if the DCA applied salary regulations accurately and correctly processed employees' compensation.

FINDING NO. 11	SALARY DETERMINATIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES
-----------------------	---

The CRD found no deficiencies in the salary determinations that were reviewed. The DCA 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.

Exceptions to Salary

California Code of Regulations sections 599.674 and 599.676 allow employees to receive a salary rate up to one step (5%) above the salary rate they last received. In those instances when these rules do not provide employees with the equivalent rate last received (1) upon transfer to a deep class or (2) in their former class, then under the authority of Government Code section 19836, an exception to these salary rules can be made. Exceptions to these rules should be applied uniformly to all employees. (Classification and Pay Guide Section 285.)

For those affected employees incurring salary loss upon transfer to a deep class, CalHR recommends placing the employee on a T&D Assignment for a period of time sufficient to meet the higher alternate range criteria. Upon successful completion of the T&D assignment, the employee may be transferred to the transferable range and then moved to the next higher alternate range effective the same day. If this does not provide the employee with their current salary, departments may process an exception, so the employee does not incur a salary loss. (*Ibid.*)

Delegation agreements with CalHR give departments the delegated authority to approve an exception to the salary rules under the following circumstances: when there is a salary loss upon transfer to a deep class; when there is a reappointment or reinstatement without a break in service.

During the period under review, March 1, 2025, through August 31, 2025, the DCA authorized one salary exception request. The CRD reviewed the authorized salary exception request, listed below, to determine if the DCA correctly verified, approved and documented the salary exception authorization process:

Classification	Prior Classification	T&D Assignment? (Y/N)	Approved Salary
Associate Governmental Program Analyst	Associate Governmental Program Analyst	No	\$6,148

FINDING NO. 12	EXCEPTIONS TO SALARY RULES COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES
-----------------------	--

The CRD found that the exception to salary determination the DCA made during the compliance review period satisfies 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, the CalHR provides salary rules departments must use when employees move between alternate ranges. These rules 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, March 1, 2025, through August 31, 2025, the DCA employees made 57 alternate range movements within a classification. The CRD reviewed 22 of these alternate range movements to determine if the DCA applied salary regulations accurately and correctly processed each employee's compensation, which are listed below:

Classification	Prior Range	Current Range	Salary (Monthly Rate)
Automotive Program Representative (2 positions)	A	B	\$6,799
Information Technology Associate	A	B	\$5,544
Information Technology Specialist I	A	B	\$7,180
Information Technology Specialist I	A	B	\$7,346
Personnel Specialist	C	D	\$6,125
Special Investigator	B	C	\$7,304
Special Investigator	A	B	\$7,047
Staff Services Analyst	A	B	\$4,654

Classification	Prior Range	Current Range	Salary (Monthly Rate)
Staff Services Analyst	A	B	\$5,081
Staff Services Analyst (4 positions)	B	C	\$5,495
Staff Services Analyst (4 positions)	B	C	\$4,868
Staff Services Analyst	B	C	\$5,164
Staff Services Analyst	B	C	\$5,282
Staff Services Analyst (2 positions)	B	C	\$5,335

FINDING NO. 13	ALTERNATE RANGE MOVEMENTS COMPLIED WITH CIVIL SERVICE LAWS, RULES, AND CALHR POLICIES AND GUIDELINES
-----------------------	---

The CRD determined that the alternate range movements the DCA 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 10 percent or more of the total time worked. According to the Pay Differential 14, the 10 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, March 1, 2025, through August 31, 2025, the DCA issued bilingual pay to 99 employees. The CRD reviewed 25 of these bilingual pay authorizations to ensure compliance with applicable CalHR policies and guidelines, which are listed below:

Classification	No. of Appts.
Associate Governmental Program Analyst	2
Automotive Program Representative	5
Automotive Program Supervisor I	1

Classification	No. of Appts.
Information Officer I (Specialist)	1
Investigator	2
Office Technician (Typing)	2
Program Technician II	4
Program Technician III	1
Research Data Specialist II	1
Special Investigator	2
Staff Services Analyst	3
Television Specialist	1

FINDING NO. 14	BILINGUAL PAY AUTHORIZATIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES
-----------------------	--

The CRD found that bilingual pay authorized to 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. (Classification and Pay Manual Section 230.)

California State Civil Service 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, March 1, 2025, through August 31, 2025, the DCA authorized 501 pay differentials¹². The CRD reviewed 25 of these pay differentials to ensure compliance with applicable CalHR policies and guidelines, which are listed below:

Classification	Pay Differential	Monthly Amount
Air Quality Engineer II	433	5.5%
Automotive Program Representative	245	2%
Automotive Program Specialist	245	2%
Automotive Program Supervisor II (2 positions)	245	4%
Deputy Chief, Investigations and Enforcement	245	5%
Flammability Research Test Engineer	433	5.5%
Inspector Board of Pharmacy	269	\$2,000
Investigator	245	9%
Investigator (5 positions)	244	5%
Investigator	245	5%
Nursing Education Consultant	441	\$250
Program Technician II (3 positions)	125	\$150
Special Investigator	245	4%
Supervising Inspector Board of Pharmacy	269	\$2,000
Supervising Investigative Certified Public Accountant	441	\$250
Supervising Investigator I (3 positions)	244	5%

FINDING NO. 15	PAY DIFFERENTIAL AUTHORIZATIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES WITH ONE EXCEPTION
-----------------------	--

Summary: The CRD found one error in the 25 pay differentials reviewed:

Classification	Description of Finding	Criteria
Nursing Education Consultant	The employee was overcompensated for an inappropriate work location pay differential.	Pay Differential 441

Criteria: A pay differential may be appropriate when a subgroup of positions within the overall job class might have unusual circumstances, competencies, or working conditions that distinguish these positions

¹² For the purposes of CRD's review, only monthly pay differentials were selected for review at this time.

from other positions in the same class. 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.)

Out-of-Class Assignments and Pay

For excluded¹³ and most rank-and-file employees, out-of-class (OOC) 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, subd. (a)(2).) A higher classification is one with a salary range maximum that is any amount higher than the salary range maximum of the classification to which the employee is appointed. (Cal. Code Regs., tit. 2, § 599.810, subd. (a)(3).)

According to the 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 the California Code of Regulations, title 2, section 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 provisions or salary regulations. Before assigning the OOC work, the department should have a plan to correct the situation before the time period outlined in applicable law, policy or MOU expires. (Classification and Pay Guide Section 375.)

During the period under review, March 1, 2025, through August 31, 2025, the DCA issued OOC pay to three employees. The CRD reviewed the three OOC assignments to ensure compliance with applicable MOU provisions, salary regulations, and CalHR policies and guidelines, which are listed below:

Classification	Bargaining Unit	Out-of-Class Classification	Time Frame
Office Technician (Typing)	R04	Staff Services Analyst	1/2/25-5/2/25

¹³ “Excluded employee” means an employee as defined in Government Code section 3527, subdivision (b) (Ralph C. Dills Act) except those excluded employees who are designated managerial pursuant to Government Code section 18801.1.

Classification	Bargaining Unit	Out-of-Class Classification	Time Frame
Office Technician (Typing)	S01	Staff Services Analyst	7/25/25-11/21/25
Staff Services Manager I	R04	Staff Services Manager III	4/28/25-6/28/25

FINDING NO. 16	INCORRECT AUTHORIZATION OF OUT-OF-CLASS PAY¹⁴
-----------------------	---

Summary: The CRD found two errors in the three OOC pay assignments reviewed:

Classification	Out-of-Class Classification	Description of Findings	Criteria
Office Technician (Typing)	Staff Services Analyst	Incorrect OOC rate calculated due to omission of the 3% PLP reduction, resulting in employee overcompensated.	Pay Differential 91
Staff Services Manager I	Staff Services Manager III	Incorrect OOC rate calculated, resulting in underpayments for April and June 2025, and an overpayment for July 2025.	Pay Differential 101

Criteria: Employees may be compensated for performing duties of a higher classification provided that: the assignment is made in advance in writing and the employee is given a copy of the assignment; and the duties performed by the employee are not described in a training and development assignment or by the specification for the class to which the excluded employee is appointed and, are fully consistent with the types of jobs described in the specification for the higher classification; and the employee does not perform such duties for more than 120 days in a fiscal year. (Cal. Code Regs., tit. 2, § 599.810, subd. (b)(1)(3)(4).) For excluded employees, there shall be no compensation for assignments that last for 15 consecutive working days or less. (Cal. Code Regs., tit. 2, § 599.810, subd. (c).) An excluded employee performing in a higher class for more than 15 consecutive working days shall receive the rate of pay the excluded employee would receive if appointed to the higher class for the entire duration of the assignment, not to exceed one year. (Cal. Code

¹⁴ Repeat finding; see report dated January 12, 2024.

Regs., tit. 2, § 599.810, subd. (d).) An excluded employee may be assigned out of class work for more than 120 calendar days during any 12-month period only if the appointing power files a written statement with the Department certifying that the additional out-of-class work is required to meet a need that cannot be met through other administrative or civil service alternatives. (Cal. Code Regs., tit. 2, § 599.810, subd. (e)).

Leave

Positive Paid Employees

Actual Time Worked (ATW) is a method that can be used to keep track of a Temporary Authorization Utilization (TAU) employee's time to ensure that the Constitutional limit of 9 months in any 12 consecutive months is not exceeded. The ATW method of counting time is used to continue the employment status for an employee until the completion of an examination, for seasonal type work, while attending school, or for consulting services.

An employee is appointed TAU-ATW when he/she is not expected to work all the working days of a month. When counting 189 days, every day worked, including partial days¹⁵ worked and paid absences¹⁶, are counted. (Cal. Code Regs., tit. 2, § 265.1, subd. (b).) The hours worked in one day are not limited by this rule. (*Ibid.*) The 12-consecutive month timeframe begins by counting the first pay period worked as the first month of the 12-consecutive month timeframe. (*Ibid.*) The employee shall serve no longer than 189 days in a 12 consecutive month period. (*Ibid.*) A new 189-days working limit in a 12-consecutive month timeframe may begin in the month immediately following the month that marks the end of the previous 12-consecutive month timeframe. (*Ibid.*)

It is an ATW appointment because the employee does not work each workday of the month, and it might become desirable or necessary for the employee to work beyond nine calendar months. The appointing power shall monitor and control the days worked to ensure the limitations set forth are not exceeded. (Cal. Code Regs., tit. 2, § 265.1, subd. (f).)

For student assistants, graduate student assistants, youth aides, and seasonal classifications a maximum work-time limit of 1,500 hours within 12 consecutive months may be used rather than the 189-day calculation. (Cal. Code Regs., tit. 2, § 265.1, subd.

¹⁵ For example, two hours or ten hours count as one day.

¹⁶ For example, vacation, sick leave, compensating time off, etc.

(d.) Additionally, according to Government Code section 21224, retired annuitant appointments shall not exceed a maximum of 960 hours in any fiscal year (July-June), regardless of the number of state employers, without reinstatement, loss or interruption of benefits.

At the time of the review, the DCA had 78 positive paid employees whose hours were tracked. The CRD reviewed 25 of these positive paid appointments to ensure compliance with applicable laws, regulations, policies and guidelines, which are listed below:

Classification	Tenure	Time Frame	Time Worked
Staff Services Analyst	Retired Annuitant	7/1/24-6/30/25	943 Hours
Associate Governmental Program Analyst	Retired Annuitant	7/1/24-6/30/25	951.75 Hours
Associate Governmental Program Analyst	Retired Annuitant	7/1/24-6/30/25	954.5 Hours
Associate Governmental Program Analyst I	Retired Annuitant	7/1/24-6/30/25	959 Hours
Associate Governmental Program Analyst	Retired Annuitant	7/1/24-6/30/25	962.75 Hours
Associate Governmental Program Analyst	Retired Annuitant	7/1/24-6/30/25	834.5 Hours
Information Technology Specialist I	Retired Annuitant	7/1/24-6/30/25	960 Hours
Labor Relations Specialist	Retired Annuitant	7/1/24-6/30/25	806.5 Hours
Office Technician (Typing)	Retired Annuitant	7/1/24-6/30/25	950 Hours
Seasonal Clerk	Temporary	5/1/24-4/30/25	1,668 hours
Special Investigator	Retired Annuitant	7/1/24-6/30/25	939 Hours
Special Investigator	Retired Annuitant	7/1/24-6/30/25	944.5 Hours
Special Investigator	Retired Annuitant	7/1/24-6/30/25	960 Hours
Special Investigator	Retired Annuitant	7/1/24-6/30/25	960 Hours
Special Investigator	Retired Annuitant	7/1/24-6/30/25	960 Hours
Special Investigator	Retired Annuitant	7/1/24-6/30/25	955 Hours
Special Investigator	Retired Annuitant	7/1/24-6/30/25	960 Hours
Special Investigator	Retired Annuitant	7/1/24-6/30/25	800.75 Hours
Student Assistant	Temporary	6/1/25-3/31/26	1,005 Hours
Student Assistant	Temporary	4/1/25 - 3/31/26	1,183.5 Hours
Student Assistant	Temporary	3/1/25-2/28/26	1,614.5 Hours
Student Assistant	Temporary	4/1/25-3/31/26	1,794 Hours
Staff Services Manager I	Retired Annuitant	7/1/24-6/30/25	927.5 Hours
Staff Services Manager I	Retired Annuitant	7/1/24-6/30/25	700 Hours
Staff Services Manager I	Retired Annuitant	7/1/24-6/30/25	680 Hours

FINDING NO. 17**POSITIVE PAID TEMPORARY EMPLOYEES' WORK
EXCEEDED TIME LIMITATIONS****Summary:**

The DCA did not consistently monitor the actual number of days and/or hours worked to ensure that three positive paid employees did not exceed the 189-day or 1,500-hour limitation in any 12-consecutive month period.

Additionally, the DCA did not consistently track and monitor one retired annuitant's total hours worked, allowing the employee to work over the 960-hour limitation in a fiscal year.

Criteria:

If any employee is appointed to an intermittent time base position on a TAU basis, there are two controlling time limitations that must be considered. The first controlling factor is the constitutional limit of nine months in any 12 consecutive months for temporary appointments that cannot be extended for any reason. (Cal Const., art. VII, § 5.) Time worked shall be counted on a daily basis with every 21 days worked counting as one month or 189 days equaling nine months. (Cal. Code Regs., tit. 2, § 265.1, subd. (b).) Another controlling factor limits the maximum work time for student, youth, and seasonal classifications to 1,500 hours. (Cal. Code Regs., tit. 2, § 265.1, subd. (d).)

Administrative Time Off

ATO is a form of paid administrative leave status initiated by appointing authorities for a variety of reasons. (Human Resources Manual Section 2121.) Most often, 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. (*Ibid.*) ATO can also be granted when employees need time off for reasons such as blood or organ donation, extreme weather preventing safe travel to work, states of emergency, voting, and when employees need time off to attend special events. (*Ibid.*)

During the period under review, January 1, 2025, through December 31, 2025, the DCA authorized 167 ATO transactions. The CRD reviewed 25 of these ATO transactions to ensure compliance with applicable laws, regulations, and CalHR policy and guidelines.

FINDING NO. 18	ADMINISTRATIVE TIME OFF WAS NOT PROPERLY DOCUMENTED
-----------------------	--

Summary: The DCA did not grant ATO in conformity with the established policies and procedures. Of the 25 ATO authorizations reviewed by the CRD, 4 were found to be out of compliance for failing to document justification for ATO.

Criteria: Appointing authorities are authorized to approve ATO for up to five (5) working days. (Gov. Code, § 19991.10.) Furthermore, they “have delegated authority to approve up to 30 calendar days.” (Human Resources Manual Section 2121.) Any ATO in excess of 30 calendar days must be approved in advance by the CalHR. (*Ibid.*) In most cases, if approved, the extension will be for an additional 30 calendar days. (*Ibid.*) The appointing authority is responsible for submitting ATO extension requests to CalHR at least 5 working days prior to the expiration date of the approved leave. (*Ibid.*)

When requesting an ATO extension, the appointing authority must provide justification establishing good cause for maintaining the employee on ATO for an additional period of time. (*Ibid.*) ATO may not be used and will not be granted for an indefinite period. (*Ibid.*) If CalHR denies a request to extend ATO, or the appointing authority fails to request approval from CalHR to extend the ATO, the employee must be returned to work in some capacity. (*Ibid.*)

Regardless of the length of ATO, appointing authorities must maintain thorough documentation demonstrating the justification for the ATO, the length of the ATO, and the approval of the ATO. (*Ibid.*)

Leave Accounting

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 should 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, October 1, 2025, through December 31, 2025, the DCA reported 102 units. The CRD reviewed 30 units within 3 pay periods to ensure compliance with applicable laws, regulations and CalHR policy and guidelines.

FINDING NO. 19	LEAVE ACCOUNTING COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
-----------------------	---

The CRD reviewed leave records from three different leave periods to ensure compliance with applicable laws, regulations and CalHR policy and guidelines. Based on our review, the CRD found no deficiencies. The DCA utilized a monthly internal audit process to verify all leave input into any leave accounting system was keyed accurately and timely.

State Service

The state recognizes two different types of absences while an employee is on pay status, paid or unpaid. The unpaid absences can affect whether a pay period is a qualifying or non-qualifying pay period for state service and leave accruals.

Generally, 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 service.¹⁷ (Cal. Code Regs., tit. 2, § 599.608.) Full-time and fractional employees who work less than 11 working days in a pay period will have a non-qualifying month and will not receive state service or leave accruals for that month.

Hourly or daily rate employees working at a department in which the full-time workweek is 40 hours and those 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 qualifying monthly pay period, the employee shall be allowed credit for vacation with pay on the first day of the following monthly pay period. (Cal. Code Regs., tit. 2, §

¹⁷ Government Code sections 19143, 19849.9, 19856.1, 19858.1, 19859, 19861, 19863.1, and 19997.4 and California Code of Regulations, title 2, sections 599.609, 599.682, 599.683, 599.685, 599.687, 599.737, 599.738, 599.739, 599.740, 599.746, 599.747, 599.776.1, 599.787, 599.791, 599.840 and 599.843 provide further clarification for calculating state time.

599.608.) 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. (Cal. Code Regs., tit. 2, § 599.739.) Portions of non-qualifying monthly pay periods of service shall not be counted nor accumulated. (*Ibid.*) On the first day following a qualifying monthly pay period, excluded employees¹⁸ 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, September 1, 2025, through February 28, 2026, the DCA had 98 employees with qualifying and non-qualifying pay period transactions. The CRD reviewed 30 transactions to ensure compliance with applicable laws, regulations and CalHR policy and guidelines.

FINDING NO. 20	SERVICE AND LEAVE TRANSACTIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES WITH ONE EXCEPTION
-----------------------	--

Summary: The CRD found the following error in the DCA's state service transactions:

Type of Transaction	State Service Incorrectly Posted	Leave Accruals Incorrectly Posted
Non- Qualifying Pay Period	0	1

Criteria: In the application of Government Code section 19837, an employee shall be considered to have a month of state service if the employee either: (1) has had 11 or more working days of service in a monthly pay period; or (2) would have had 11 or more working days of service in a monthly pay period but was laid off or on a leave of absence for the purpose of lessening the impact of an impending layoff. (Cal. Code Regs., tit.2, § 599.608.) Absences from state service resulting from permanent separation for more than 11 consecutive working

¹⁸ As identified in Government Code sections 19858.3, subdivisions (a), (b), or (c), or as it applies to employees excluded from the definition of state employee under Government Code section 3513, subdivision (c), or California Code of Regulations, title 2, section 599.752, subdivision (a), and appointees of the Governor as designated by the Department and not subject to section 599.752.1.

days which fall into two consecutive pay periods shall disqualify one of the pay periods. (*Ibid.*)

Hourly or daily rate employees working in a state agency 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.) When an employee has a break in service or changes to full-time, any combination of time worked which does not equal one qualifying month of full-time service shall not be accumulated or counted. (*Ibid.*)

Policy and Processes

Nepotism

It is the policy of the State of California to hire, transfer, and promote 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. (Cal. Code Regs., tit. 2, § 87.) (*Ibid.*) All appointing powers shall adopt an anti-nepotism policy that includes the following components: (1) a statement that the appointing power is committed to merit-based hiring and that nepotism is antithetical to a merit-based civil service system; (2) a definition of "nepotism" as an employee's use of influence or power to hire, transfer, or promote an applicant or employee because of a personal relationship; (3) a definition of "personal relationship" as persons related by blood, adoption, current or former marriage, domestic partnership or cohabitation; (4) a statement that prohibits participation in the selection of an applicant for employment by anyone who has a personal relationship with the applicant, as defined in section 83.6; (5) a statement that prohibits the direct or first-line supervision of an employee with whom the supervisor has a personal relationship, as defined in section 83.6; (6) a process for addressing issues of direct supervision when personal relationships between employees exist. (*Ibid.*)

FINDING NO. 21	NEPOTISM POLICY COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
-----------------------	--

The CRD verified that the policy was disseminated to all staff and emphasized the DCA's commitment to the state policy of hiring, transferring, and promoting employees on the basis of merit. Additionally, the DCA's 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.

Workers' Compensation

Employers shall provide to every new employee, either 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. (Cal. Code Regs., tit. 8, § 9880, subd. (a).) This notice shall include the right to predesignate their personal physician or medical group; a form that the employee may use as an optional method for notifying the employer of the name of employee's "personal physician," as defined by Labor Code section 4600. (Cal. Code Regs., tit. 8, § 9880, subd. (c)(7) & (8).) Additionally, within one working day of receiving notice or knowledge that the employee has suffered a work-related injury or illness, employers shall provide a claim form and notice of potential eligibility for benefits to the injured employee. (Labor Code, § 5401, subd. (a).)

Public employers may choose to extend workers' compensation coverage to volunteers that perform services for the organization. (Human Resources Manual Section 1415.) Workers' compensation coverage is not mandatory for volunteers as it is for employees. (*Ibid.*) This is specific to the legally uninsured state departments participating in the Master Agreement. (*Ibid.*) Departments with an insurance policy for workers' compensation coverage should contact their State Compensation Insurance Fund office to discuss the status of volunteers. (*Ibid.*)

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

FINDING NO. 22	WORKERS' COMPENSATION PROCESS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
-----------------------	--

The CRD verified that the DCA provides notice to their employees to inform them of their rights and responsibilities under California's Workers' Compensation Law. Furthermore, the CRD verified that when the DCA received workers' compensation claims, they properly provided claim forms within one working day of notice or knowledge of injury.

Performance Appraisals

According to Government Code section 19992.2, subdivision (a), appointing powers 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 CRD selected 100 permanent DCA employees to ensure that the department was conducting performance appraisals on an annual basis in accordance with applicable laws, regulations, policies and guidelines.

FINDING NO. 23	PERFORMANCE APPRAISALS WERE NOT PROVIDED TO ALL EMPLOYEES¹⁹
-----------------------	---

Summary: The DCA did not provide annual performance appraisals to 51 of 100 employees reviewed after the completion of the employee's probationary period.

Criteria: Appointing powers shall prepare performance reports and keep them on file as prescribed by department rule. (Gov. Code, § 19992.2, subd. (a).) Each supervisor, as designated by the appointing power, shall make an appraisal in writing and shall discuss with the employee overall work performance at least once in each twelve calendar months following the end of the employee's probationary period. (Cal. Code Regs., tit. 2, § 599.798.)

DEPARTMENTAL RESPONSE

The DCA's response is attached as Attachment 1.

CORRECTIVE ACTIONS

A written corrective action response addressing all areas identified as out of compliance, along with supporting documentation demonstrating the implementation of the specified corrective actions, must be submitted to the CRD within 90 days of the date of this report.

¹⁹ Repeat finding; see reports dated January 12, 2024, and May 14, 2020.

Executive Office

1625 N. Market Blvd., Suite S-308, Sacramento, CA, 95834

P 916-574-8200 | F 916-574-8613 | www.dca.ca.gov

August 25, 2026

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

RE: Compliance Review Report – Department of Consumer Affairs

Dear Executive Officer Ambrose:

The California State Personnel Board (SPB), Compliance Review Unit conducted a compliance review of the Department of Consumer Affairs (DCA) pursuant to Article VII, Section 3, of the California Constitution, Government Code (GC) Section 18661, and GC Section 18502.

DCA reviewed the revised draft compliance review report provided by SPB on August 5, 2026. The following are the findings and DCA's response to each finding.

FINDING NO. 1	IN COMPLIANCE	FINDING: EXAMINATIONS COMPLIED WITH CIVIL SERVICE LAWS AND BOARD RULES
----------------------	----------------------	---

Cause/Response: DCA is compliant and no response is required.

FINDING NO. 2	IN COMPLIANCE	FINDING: PERMANENT WITHHOLD ACTIONS COMPLIED WITH CIVIL SERVICE LAWS AND BOARD RULES
----------------------	----------------------	---

Cause/Response: DCA is compliant and no response is required.

FINDING NO. 3	OUT OF COMPLIANCE	FINDING: PROBATIONARY EVALUATIONS WERE NOT PROVIDED FOR ALL APPOINTMENTS REVIEWED AND SOME THAT WERE PROVIDED WERE UNTIMELY
----------------------	--------------------------	--

Cause/Response: The unique nature of DCA's reporting structure makes it challenging to obtain compliance from all managers and supervisors. DCA consists of 36 semi-autonomous boards, bureaus, and programs, each with its own organizational structure. The chief at each bureau and program reports to the DCA director, while the executive officer at each board and commission reports to Governor or Legislature-appointed board members or commissioners. Board members and commissioners set policy and priorities for their board or

These improvements will ensure timely notifications and strengthen the EEO Office's compliance with mandated response timelines moving forward.

FINDING NO. 7	OUT OF COMPLIANCE	FINDING: A DISABILITY ADVISORY COMMITTEE HAS NOT BEEN ACTIVELY MAINTAINED
----------------------	--------------------------	--

Cause/Response: The EEO Office has taken corrective action to ensure the Disability Advisory Committee (DAC) is in full compliance with GC Sections 19795(b)(1) and 19795(b)(2).

DCA recently hired an additional EEO Analyst II, who has been formally assigned to the DAC Coordinator duties. This role ensures ongoing oversight, coordination, and support for DAC activities, including member engagement, meeting facilitation, and compliance monitoring.

As a result of these improvements, the DAC has been successfully re-established and maintained. For the 2026 calendar year, the DAC has already convened three active meetings, demonstrating renewed continuity and adherence to statutory requirements.

The EEO Office will continue to monitor the DAC's progress and ensure sustained activity and compliance going forward.

FINDING NO. 8	IN COMPLIANCE	FINDING: PERSONAL SERVICES CONTRACTS COMPLIED WITH PROCEDURAL REQUIREMENTS
----------------------	----------------------	---

Cause/Response: DCA is compliant and no response is required.

FINDING NO. 9	OUT OF COMPLIANCE	FINDING: ETHICS TRAINING WAS NOT PROVIDED FOR ALL FILERS
----------------------	--------------------------	---

Cause/Response: DCA is committed to ensuring full and sustained compliance with the ethics training requirements set forth in GC Section 11146.3(b). To that end, DCA is implementing a comprehensive, automated compliance framework, designed to eliminate manual dependencies, strengthen accountability, and ensure that all designated Form 700 (Statement of Economic Interests) filers complete the required training within the mandated timeframes.

Automated Training Integration

DCA's Strategic Organizational Leadership and Individual Development (SOLID Training and Planning Solutions unit is integrating the Ethics Training curriculum provided by the California Attorney General's (AG) Office into DCA's Learning

Management System (LMS). This integration will replace the current process, which is decentralized and relies on individual Board and Bureau Training Liaisons to manually upload completion certificates from the AG's website into the LMS.

By centralizing this training and tracking fully within the LMS environment, DCA will gain real-time visibility into training completion, enabling reliable tracking, reporting, and compliance verification. This transition is currently underway and is expected to be fully operational by September 2026.

Proactive Identification of Required Filers

SOLID has created a dedicated user group within the LMS to identify all DCA employees required to complete Ethics Training. This group will be refreshed every four months using the most current list of Form 700 filers, provided to SOLID by DCA's Office of Human Resources (OHR). New filers will be uploaded into the LMS on a four- to five-month cycle to ensure that individuals are assigned the training promptly and can complete it within their first six months of filing status, and every two years thereafter.

Structured Escalation Process for Noncompliance

To ensure timely completion and accountability, SOLID has established a four-week escalation protocol for employees who have not completed the training by the assigned deadline:

Week	Action
Week 1	Notification sent to the employee and their unit Training Liaison
Week 2	Notification escalated to the employee and their direct manager
Week 3	Notification escalated to the employee, manager, and executive leadership
Week 4	Matter referred to the DCA SOLID/Organizational Improvement Office Chief for appropriate action

Proven Framework

This compliance model mirrors the process DCA currently uses for Sexual Harassment Prevention Training, for which the Department is **fully in compliance**. By applying this same proven framework to Ethics Training, DCA is confident in its ability to achieve and maintain consistent, department-wide compliance.

Outreach and Awareness

To support a smooth transition and reinforce expectations, SOLID will conduct a comprehensive outreach campaign directed at leadership, management, and staff across the department. This campaign will ensure that all stakeholders are

informed about the new process, understand their responsibilities, and are equipped to meet compliance requirements.

DCA welcomes the opportunity to discuss this approach in further detail and looks forward to your feedback. We are confident that this framework provides the structure, transparency, and accountability necessary to ensure sustained compliance with GC Section 11146.3(b).

FINDING NO. 10	OUT OF COMPLIANCE	FINDING: SUPERVISORY TRAINING WAS NOT PROVIDED FOR ALL SUPERVISORS, MANAGERS, AND CEAS
---------------------------------	------------------------------------	---

Cause/Response: DCA is committed to ensuring that all managers, supervisors, and career-executive assignments (CEAs) complete the required supervisory trainings upon appointment, in full compliance with applicable mandates.

Current State and Opportunity for Improvement

Supervisory training compliance is currently managed through a manual process in which individual division, board, and bureau Training Liaisons are responsible for uploading documentation of completed training into DCA's LMS. This approach introduces the potential for inconsistencies and gaps in tracking and compliance.

Automated Training Assignment and Tracking

To address this, SOLID will collaborate with DCA's Office of Information Services (OIS) to automate the supervisory training assignment process and build-in redundancies to ensure sustained compliance. Key elements of this initiative include:

- **Automated Assignment via Active Directory Integration:** When a new manager, supervisor, or CEA classification is entered into the Active Directory, the required supervisory training will be automatically assigned to the employee's LMS transcript, eliminating reliance on manual uploads and ensuring timely assignment upon appointment.
- **Quarterly Compliance Reporting:** SOLID will generate compliance reports on a quarterly basis to identify employees who have not yet completed the required training within the mandated timeframe.
- **Structured Escalation for Noncompliance:** Employees identified as noncompliant will receive notifications through a structured escalation process, consistent with the proven framework currently in place for Sexual Harassment Prevention and Ethics Training compliance.

Enhanced Onboarding Procedures

In addition to these system-level improvements, DCA will conduct a comprehensive review and update of its onboarding procedures to identify

opportunities to strengthen early awareness of supervisory training requirements. This includes updating onboarding language to provide clearer, more specific guidance on the training obligations for newly appointed managers, supervisors, and CEAs, ensuring that compliance expectations are communicated from the outset.

DCA is confident that these combined measures: automated assignment, proactive compliance monitoring, structured accountability, and improved onboarding, will establish a reliable, sustainable framework for supervisory training compliance across the department.

FINDING NO. 11	IN COMPLIANCE	FINDING: SALARY DETERMINATIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES
---------------------------------	----------------------	--

Cause/Response: DCA is compliant and no response is required.

FINDING NO. 12	IN COMPLIANCE	FINDING: EXCEPTIONS TO SALARY RULES COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES
---------------------------------	----------------------	---

Cause/Response: DCA is compliant and no response is required.

FINDING NO. 13	IN COMPLIANCE	FINDING: ALTERNATE RANGE MOVEMENTS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
---------------------------------	----------------------	---

Cause/Response: DCA is compliant and no response is required.

FINDING NO. 14	IN COMPLIANCE	FINDING: BILINGUAL PAY AUTHORIZATIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
---------------------------------	----------------------	--

Cause/Response: DCA is compliant and no response is required.

FINDING NO. 15	SUBSTANTIAL COMPLIANCE	FINDING: PAY DIFFERENTIAL AUTHORIZATIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES WITH ONE EXCEPTION
---------------------------------	-------------------------------	---

Cause/Response: DCA achieved Substantial Compliance status and no response is required.

FINDING No. 16	OUT OF COMPLIANCE	FINDING: INCORRECT AUTHORIZATION OF OUT-OF-CLASS PAY
---------------------------------	------------------------------------	---

Cause/Response: DCA staff did not incorporate the recently implemented three-percent Personal Leave Program 2025 pay reduction when calculating the Out-of-Class (OOC) pay for the Office Technician (Typing). Staff have since been trained to prevent similar errors moving forward.

DCA staff failed to correctly calculate the April and June 2025 OOC pay for the Staff Services Manager I. However, the employee was not overpaid in July 2025. In June 2026, DCA confirmed with SPB the correct dates of the OOC assignment, which was April 29, 2025, through July 20, 2025. The employee was entitled to the OOC pay in July 2025. Management has since retrained staff and has updated the OOC process to prevent similar errors from occurring in the future.

FINDING No. 17	OUT OF COMPLIANCE	FINDING: POSITIVE PAID TEMPORARY EMPLOYEES' WORK EXCEEDED TIME LIMITATIONS
---------------------------------	------------------------------------	---

Cause/Response: DCA staff failed to put measures in place to effectively monitor the hours worked of positive paid employees. Management has re-trained staff and implemented a tracking log to verify total number of hours worked. Human resources staff will also provide communication to program management and Human Resources Liaisons when employees are approaching the total number of working hours available for the position type and tenure.

FINDING No. 18	OUT OF COMPLIANCE	FINDING: ADMINISTRATIVE TIME OFF WAS NOT PROPERLY DOCUMENTED
---------------------------------	------------------------------------	---

Cause/Response: Regarding three of the four findings, DCA staff failed to process the Administrative Time Off (ATO) transaction in the system due to miscommunication. Management has since retrained staff, reiterated the importance of processing leave timely and correctly, and instructed staff to communicate when they are unclear with the process.

Regarding the fourth finding, DCA does not agree with this finding. The ATO that is listed on the timesheet and processed within the system is correct. The initial request from the program, dated September 18, 2025, was found to be incorrect as the employee did not utilize one hour of ATO on September 17, 2026, as originally approved.

FINDING NO. 19	IN COMPLIANCE	FINDING: LEAVE AUDITING AND TIMEKEEPING COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
---------------------------------	----------------------	--

Cause/Response: DCA is compliant and no response is required.

FINDING NO. 20	SUBSTANTIAL COMPLIANCE	FINDING: SERVICE AND LEAVE TRANSACTIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES WITH ONE EXCEPTION
---------------------------------	-------------------------------	---

Cause/Response: DCA achieved Substantial Compliance status and no response is required.

FINDING NO. 21	IN COMPLIANCE	FINDING: NEPOTISM POLICY COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
---------------------------------	----------------------	---

Cause/Response: DCA is compliant and no response is required.

FINDING NO. 22	IN COMPLIANCE	FINDING: WORKERS' COMPENSATION PROCESS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
---------------------------------	----------------------	---

Cause/Response: DCA is compliant and no response is required.

FINDING NO. 23	OUT OF COMPLIANCE	FINDING: PERFORMANCE APPRAISALS WERE NOT PROVIDED TO ALL EMPLOYEES
---------------------------------	--------------------------	---

Cause/Response: The unique nature of DCA's reporting structure makes it challenging to obtain compliance from all managers and supervisors. DCA consists of 36 semi-autonomous boards, bureaus, and programs, each with its own organizational structure. The chief at each bureau and program reports to the DCA director, while the Executive Officer at each board and commission reports to Governor or Legislature-appointed board members or commissioners. Board members and commissioners set policy and priorities for their board or commission. Although OHR staff send reminders to managers and supervisors before a performance appraisal is due, prioritization of the timely completion of the appraisals is not always achieved. Human resources staff will continue to remind managers and supervisors when a performance appraisal is due and will discuss the importance of appraisals during meetings with managers and supervisors. Training will also be provided when needed.

DCA appreciates SPB conducting the audit and providing its findings so DCA can respond and continually improve its processes. Due to the reporting structure of DCA and the need for DCA boards and bureaus to all comply with the requirements, these findings and responses, as appropriate, will be discussed at a future meeting with the Executive Officers and Bureau Chiefs of the boards and bureaus. This will assist these executive level leaders knowing what is required of their HR liaisons and the need for compliance in the future.

If you have any questions or require further information, please contact Olivia Trejo at (916) 574-8342 or via email Olivia.Trejo@dca.ca.gov.

Sincerely,



Christine Lally
Acting Director

cc: DCA Office of Administrative Services
DCA Compliance and Equity Division
DCA Office of Human Resources
DCA Equal Employment Opportunity Office
DCA Internal Audit Office
DCA Legal Affairs Division
DCA Strategic Organizational Leadership and Individual Development