

COMPLIANCE REVIEW REPORT

CALIFORNIA DEPARTMENT OF EDUCATION

Compliance Review Division
State Personnel Board
July 7, 2026

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INTRODUCTION

Established by the California Constitution, the State Personnel Board (the SPB or Board) is charged with enforcing and administering the civil service statutes, prescribing probationary periods and classifications, adopting regulations, and reviewing disciplinary actions and merit-related appeals. The SPB oversees the merit-based recruitment and selection process for the hiring of over 200,000 state employees. These employees provide critical services to the people of California, including but not limited to, protecting life and property, managing emergency operations, providing education, promoting the public health, and preserving the environment. The SPB provides direction to departments through the Board's decisions, rules, policies, and consultation.

Pursuant to Government Code section 18661, the SPB's Compliance Review 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 California Department of Education (CDE) 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
Appointments	Out of Compliance	Probationary Evaluations Were Not Provided for All Appointments Reviewed and Some That Were Provided Were Untimely
Equal Employment Opportunity	Out of Compliance	A Disability Advisory Committee Has Not Been Actively Maintained
Equal Employment Opportunity	Out of Compliance	Complainants Were Not Notified of the Reasons for Delays in Decisions Within the Prescribed Time Period
Personal Services Contracts	In Compliance	Personal Services Contracts Complied with Procedural Requirements
Mandated Training	Out of Compliance	Ethics Training Was Not Provided for All Filers
Mandated Training	Out of Compliance	Sexual Harassment Prevention Training Was Not Provided for All Employees
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

Area	Compliance	Finding
Compensation and Pay	Out of Compliance	Alternate Range Movements Did Not Comply with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Compensation and Pay	Out of Compliance	Incorrect Authorization of Bilingual Pay
Compensation and Pay	In Compliance	Pay Differential Authorizations Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines
Compensation and Pay	Out of Compliance	Incorrect Authorization of Out-of-Class Pay
Leave	In Compliance	Positive Paid Employees' Tracked Hours Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Leave	Out of Compliance	Administrative Time Off Was Not Properly Documented
Leave	Out of Compliance	Department Did Not Certify That All Leave Records Were Reviewed
Leave	In Compliance	Service and Leave Transactions Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Policy	Out of Compliance	Department's Nepotism Policy Does Not Contain All Required Components
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

In order to transform public education in California, the mission of the CDE is to promote equity and educational excellence for all students, from early childhood to adulthood, through innovation and collaboration with educators, schools, families, and community partners, to ensure that students thrive in and contribute to a multilingual, multicultural, and highly connected world.

SCOPE AND METHODOLOGY

The scope of the compliance review was limited to reviewing the CDE's examinations, appointments, EEO program, PSC's, mandated training, compensation and pay, leave, and policy and processes¹. The primary objective of the review was to determine if the CDE'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 CDE'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 CDE provided, which included examination plans, examination bulletins, job analyses, and scoring results. The CDE did not conduct any permanent withhold actions during the compliance review period.

A cross-section of the CDE's appointments was selected for review to ensure that samples of various appointment types, classifications, and levels were reviewed. The CRD examined the documentation that the CDE provided, which included Notice of Personnel Action (NOPA) forms, Request for Personnel Actions (RPA's), vacancy postings, certification lists, transfer movement worksheets, employment history records, correspondence, and probation reports. The CDE did not conduct any unlawful appointment investigations during the compliance review period.

The CDE's appointments were also selected for review to ensure the CDE applied salary regulations accurately and correctly processed employees' compensation and pay. The CRD examined the documentation that the CDE 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

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

documentation for the following personnel functions related to compensation and pay: bilingual pay, monthly pay differentials, alternate range movements, and out-of-class assignments. During the compliance review period, the CDE did not issue or authorize red circle rate requests or arduous pay.

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

The CDE'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.

The CRD reviewed the CDE'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 CDE'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 CDE'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 CDE employees who used Administrative Time Off (ATO) in order to ensure that ATO was appropriately administered. Further, the CRD reviewed a selection of CDE positive paid employees

²If an employee organization requests the SPB to review any personal services contract during the SPB compliance review period or prior to the completion of the final compliance review report, the SPB will not audit the contract. Instead, the SPB will review the contract pursuant to its statutory and regulatory process. In this instance, none of the reviewed PSC's were challenged.

whose hours are tracked during the compliance review period in order to ensure that they adhered to procedural requirements.

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

The CRD received and carefully reviewed the CDE's written response on July 1, 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 determine the qualifications, fitness, and ability of competitors to perform the duties of the class of position for which he or she seeks appointment. (Gov. Code, § 18930.) Examinations may be assembled or unassembled, written or oral, or in the form of a demonstration of skills, or any combination of those tests. (*Ibid.*) The Board establishes minimum qualifications for determining the fitness and qualifications of employees for each class of position and for applicants for examinations. (Gov. Code, § 18931, subd. (a).) Within a reasonable time before the scheduled date for the examination, the designated appointing power shall announce or advertise the examination for the establishment of eligible lists. (Gov. Code, § 18933, subd. (a).) The advertisement shall contain such information as the date and place of the examination and the nature of the minimum qualifications. (*Ibid.*) Every applicant for examination shall file an application with the department or a designated appointing power as directed by the examination announcement. (Gov. Code, § 18934, subd. (a)(1).) The final earned rating of each person competing in any examination is to be determined by the weighted average of the earned ratings on all phases of the examination. (Gov. Code, § 18936.) Each competitor shall be notified in writing of the results of the examination when the employment list resulting from the examination is established. (Gov. Code, § 18938.5.)

During the period under review, September 1, 2025, through February 28, 2026, the CDE conducted 30 examinations. The CRD reviewed 12 of these examinations, which are listed below:

Classification	Exam Type	Exam Components	Final File Date	No. of Apps
Child Nutrition Supervisor I	Departmental Open	Qualification Appraisal Panel ³	2/16/2026	9
Child Development Assistant	Departmental Open	Training and Experience (T&E) ⁴	11/14/2025	10
Child Development Consultant	Departmental Open	T&E	11/14/2025	28
Child Nutrition Assistant	Departmental Open	T&E	10/15/2025	4
Child Nutrition Consultant	Departmental Open	T&E	12/15/2025	7
Education Programs Consultant	Departmental Open	T&E	12/15/2025	29
Education Administrator I	Departmental Open	T&E	10/15/2025	5
Education Programs Assistant	Departmental Open	T&E	1/15/2026	16
Education Programs Consultant	Departmental Open	T&E	9/15/2025	45
Legislative Representative, Department of Education	Departmental Open	T&E	1/15/2026	17
Night Attendant, School for the Deaf	Departmental Open	T&E	10/15/2025	5
Teaching Assistant, School for the Deaf	Departmental Open	T&E	9/15/2025	10

³ The Qualification Appraisal Panel interview is the oral component of an examination whereby competitors appear before a panel of two or more evaluators. Candidates are rated and ranked against one another based on an assessment of their ability to perform in a job classification.

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.

FINDING NO. 1	EXAMINATIONS COMPLIED WITH CIVIL SERVICE LAWS AND BOARD RULES
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The CRD reviewed 12 open examinations which the CDE administered in order to create eligible lists from which to make appointments. The CDE published and distributed examination bulletins containing the required information for all examinations. Applications received by the CDE 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 CDE conducted during the compliance review period.

Appointments

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

During the period under review, January 1, 2025, through June 30, 2025, the CDE made 112 appointments. The CRD reviewed 23 of these appointments, which are listed below:

Classification	Appointment Type	Tenure	Time Base	No. of Appts.
Attorney III	Certification List	Permanent	Full Time	1
Education Administrator I	Certification List	Permanent	Full Time	2
Education Fiscal Services Consultant	Certification List	Permanent	Full Time	1

Classification	Appointment Type	Tenure	Time Base	No. of Appts.
Education Programs Assistant	Certification List	Permanent	Full Time	2
Education Programs Consultant	Certification List	Permanent	Full Time	2
Information Officer I (Specialist)	Certification List	Permanent	Full Time	1
Information Technology Associate	Certification List	Permanent	Full Time	1
Information Technology Specialist I	Certification List	Permanent	Full Time	1
Information Technology Specialist II	Certification List	Permanent	Full Time	1
Information Technology Supervisor II	Certification List	Permanent	Full Time	1
Research Data Specialist II	Certification List	Permanent	Full Time	2
Senior Accounting Officer (Specialist)	Certification List	Permanent	Full Time	1
Staff Management Auditor (Specialist), State Controller's Office	Certification List	Permanent	Full Time	1
Staff Services Analyst	Certification List	Limited Term	Full Time	1
Staff Services Manager I	Certification List	Permanent	Full Time	1
Education Administrator I	Permissive Reinstatement	Permanent	Full Time	1
Education Programs Consultant	Permissive Reinstatement	Permanent	Full Time	1
Staff Services Manager I	Training & Development	Permanent	Full Time	1
Associate Personnel Analyst	Transfer	Permanent	Full Time	1

FINDING NO. 2	PROBATIONARY EVALUATIONS WERE NOT PROVIDED FOR ALL APPOINTMENTS REVIEWED AND SOME THAT WERE PROVIDED WERE UNTIMELY⁵
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Summary: The CDE did not provide 12 of the 57 probationary reports of performance requested for review by the CRD. In addition, the CDE did not provide 21 probationary reports of performance in a timely manner.

⁵ Repeat finding; see reports dated April 14, 2023, June 29, 2020, and December 13, 2016.

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

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. 3	A DISABILITY ADVISORY COMMITTEE HAS NOT BEEN ACTIVELY MAINTAINED
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Summary: The CDE has established a DAC committee; however, the CDE has not held a DAC meeting within the review period.

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).)

FINDING NO. 4	COMPLAINANTS WERE NOT NOTIFIED OF THE REASONS FOR DELAYS IN DECISIONS WITHIN THE PRESCRIBED TIME PERIOD
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Summary: The CDE provided evidence that 14 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. Eleven of the 14 complaint investigations exceeded 90 days and the CDE 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.*)

Personal Services Contracts

A PSC includes any contract, requisition, or purchase order under which labor or personal services is a significant, separately identifiable element, and the business or person performing the services is an independent contractor that does not have status as an

employee of the state. (Cal. Code Regs., tit. 2, § 547.59.) The California Constitution has an implied civil service mandate limiting the state's authority to contract with private entities to perform services the state has historically or customarily performed. Government Code section 19130, subdivision (a), however, codifies exceptions to the civil service mandate where PSC's achieve cost savings for the state. PSC's that are of a type enumerated in subdivision (b) of Government Code section 19130 are also permissible. Subdivision (b) contracts include, but are not limited to, private contracts for a new state function, services that are not available within state service, services that are incidental to a contract for the purchase or lease of real or personal property, and services that are of an urgent, temporary, or occasional nature.

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

During the period under review, September 1, 2025, through February 28, 2026, the CDE had 161 PSC's that were in effect. The CRD reviewed 30 of these, which are listed below:

Vendor	Services	Contract Amount	Justification Identified?	Union Notification?
Accrediting Commission for Schools, Western Association of Schools and Colleges	Departmental Membership Services	\$4,510	Yes	Yes
All American Sports Corp. Db a Riddell/All American	Football Equipment Reconditioning Services	\$7,728	Yes	Yes
California Association of Deca, Inc.	Subvention Agreement with a Non-Profit	\$249,990	Yes	Yes
California Foundation for Agriculture in the Classroom	Conference Co-Sponsorship Services	\$9,999	Yes	Yes
Comprehensive Adult Student Assessment Systems	Adult Education Accountability and Assessment Systems	\$5,899,722	Yes	Yes

Vendor	Services	Contract Amount	Justification Identified?	Union Notification?
Cim/J Street Hotel Sacramento, Inc Dbas Sheraton Grand Sacramento	Conferences Services	\$69,709	Yes	Yes
Citiguard Inc.	Security Patrol Services	\$7,090	Yes	Yes
Commer Kitchen Services, Inc.	Refrigerator Maintenance and Repair Services	\$189,375	Yes	Yes
Community Alliance with Family Farmers	Conference Co- Sponsorship Services	\$9,999	Yes	Yes
Creative Careers Leadership Lab	Subvention Agreement with a Non-Profit	\$223,260	Yes	Yes
Don Espy, Jr.	Coaching Services	\$4,400	Yes	Yes
Expatriate Communications, Inc.	Occupational Therapy Assessment Services	\$173,000	Yes	Yes
Fresno County Superintendent of Schools	Consulting Services	\$285,000	Yes	Yes
Fresno County Superintendent of Schools	Consulting Services	\$154,239	Yes	Yes
Geary Floors, Inc.	Gym Floor Refinishing Services	\$27,030	Yes	Yes
Global Technical Communications, LLC	Interpreting Services	\$9,990	Yes	Yes
GoldSRD	Training Services	\$33,000	Yes	Yes
Herc Rentals Inc.	Large Equipment Rental Services	\$12,450	Yes	Yes
Independent Ergonomist Dbas: iHealth 360, LLC	Ergonomic Evaluation Services	\$5,700	Yes	Yes
Jen Weiler Interpreting Inc	Interpreting Services	\$9,999	Yes	Yes

Vendor	Services	Contract Amount	Justification Identified?	Union Notification?
Joshua Anderson	Interpreting Services	\$9,999	Yes	Yes
Kern County Superintendent of Schools	Consulting Services	\$450,000	Yes	Yes
Kern County Superintendent of Schools	Interjurisdictional Exchange/ Visiting Educator Services	\$348,973	Yes	Yes
MJ Service Industries, LLC	Oven Maintenance and Repair Services	\$40,500	Yes	Yes
Origins Interpreting, Inc	Interpreting Services	\$57,800	Yes	Yes
Propio LS, LLC	Interpreting Services	\$9,999	Yes	Yes
Regents of the University of California, on Behalf of the Berkeley Campus	Consulting Services	\$144,770	Yes	Yes
Specialized Governmental Training Solutions	Training Services	\$8,400	Yes	Yes
Titan Environmental Solutions, Inc.	Asbestos and Lead Sampling and Abatement Services	\$8,790	Yes	Yes
Yellowbook-CPE, LLC	Training Services	\$32,000	Yes	Yes

FINDING NO. 5	PERSONAL SERVICES CONTRACTS COMPLIED WITH PROCEDURAL REQUIREMENTS
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The total dollar amount of all the PSC's reviewed was \$8,497,421. It was beyond the scope of the review to make conclusions as to whether CDE justifications for the contracts were legally sufficient. For all PSC's reviewed, the CDE 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, CDE 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 CDE PSC's complied with civil service laws and board rules.

Mandated Training

Each member, officer, or designated employee of a state agency who is required to file a statement of economic interest (referred to as "filers") because of the position he or she holds with the agency is required to take an orientation course on the relevant ethics statutes and regulations that govern the official conduct of state officials. (Gov. Code, §§ 11146 & 11146.1.) State agencies are required to offer filers the orientation course on a semi-annual basis. (Gov. Code, § 11146.1.) New filers must be trained within six months of appointment and at least once during each consecutive period of two calendar years, commencing on the first odd-numbered year thereafter. (Gov. Code, § 11146.3.)

Upon the initial appointment of any employee designated in a supervisory position, the employee shall be provided a minimum of 80 hours of training, as prescribed by the CalHR. (Gov. Code, § 19995.4, subd. (b).) The training addresses such topics as the role of the supervisor, techniques of supervision, performance standards, and sexual harassment and abusive conduct prevention. (Gov. Code, §§ 12950.1, subds. (a) 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)⁶ 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 CDE's mandated training program that was in effect during the compliance review period, March 1, 2024, through February 28, 2026. The CDE's tribal consultations training was found to be in compliance, while the CDE's ethics training, supervisory training, and sexual harassment prevention training were found to be out of compliance.

FINDING NO. 6	ETHICS TRAINING WAS NOT PROVIDED FOR ALL FILERS⁷
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Summary: The CDE did not provide ethics training to 139 of 655 existing filers. In addition, the CDE did not provide ethics training to 34 of 146 new filers within 6 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).)

⁶ 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).)

⁷ Repeat finding; see reports dated April 14, 2023, June 29, 2020, and December 13, 2016.

FINDING NO. 7	SEXUAL HARASSMENT PREVENTION TRAINING WAS NOT PROVIDED FOR ALL EMPLOYEES⁸
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Summary: The CDE did not provide sexual harassment prevention training to 19 of 45 new supervisors within 6 months of their appointment. In addition, the CDE did not provide sexual harassment prevention training to 76 of 159 existing supervisors every 2 years.

The CDE did not provide sexual harassment prevention training to 33 of 108 existing non-supervisors every 2 years.

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

FINDING NO. 8	SUPERVISORY TRAINING WAS NOT PROVIDED FOR ALL SUPERVISORS, MANAGERS, AND CEAs⁹
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Summary: The CDE did not provide basic supervisory training to 3 of 13 new supervisors within 12 months of appointment; did not provide manager training to 2 of 3 new managers within 12 months of appointment; and did not provide CEA training to 1 of 4 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 Career Executive Assignment position, each employee must receive 20 hours of

⁸ Repeat finding; see reports dated April 14, 2023, June 29, 2020, and December 13, 2016.

⁹ Repeat finding; see reports dated April 14, 2023, June 29, 2020, and December 13, 2016.

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 rate¹⁰ 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.

During the period under review, January 1, 2025, through June 30, 2025, the CDE made 112 appointments. The CRD reviewed 10 of these appointments to determine if the CDE applied salary regulations accurately and correctly processed employees' compensation.

FINDING NO. 9	SALARY DETERMINATIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES
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The CRD found no deficiencies in the salary determinations that were reviewed. The CDE appropriately calculated and keyed the salaries for each appointment and correctly determined employees' anniversary dates ensuring that subsequent merit salary adjustments will satisfy civil service laws, Board rules and CalHR policies and guidelines.

Alternate Range Movement Salary Determination (within same classification)

If an employee qualifies under established criteria and moves from one alternate range to another alternate range of a class, the employee shall receive an increase or a decrease equivalent to the total of the range differential between the maximum salary rates of the alternate ranges. (Cal. Code Regs., tit. 2, § 599.681.) However, in many instances, the CalHR provides salary rules departments must use when employees move

¹⁰ "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).

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, January 1, 2025, through June 30, 2025, the CDE employees made eight alternate range movements within a classification. The CRD reviewed seven of these alternate range movements to determine if the CDE applied salary regulations accurately and correctly processed each employee's compensation, which are listed below:

Classification	Prior Range	Current Range	Salary (Monthly Rate)
Accounting Analyst	B	C	\$5,113
Business Service Assistant (Specialist)	B	C	\$5,129
Office Assistant (Typing)	A	B	\$3,504
Personnel Specialist	B	C	\$4,958
Staff Services Analyst	B	C	\$4,868
Staff Services Analyst	B	C	\$4,868
Staff Services Analyst	B	C	\$5,335

FINDING NO. 10	ALTERNATE RANGE MOVEMENTS DID NOT COMPLY WITH CIVIL SERVICE LAWS, RULES, AND CALHR POLICIES AND GUIDELINES
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Summary: The CRD found two errors in the seven alternate range movements reviewed:

Classification	Description of Findings	Criteria
Office Assistant (Typing)	Incorrect anniversary date determination, resulting in the employee being overcompensated.	Cal. Code Regs., tit. 2, section 599.683, subd. (a)
Personnel Specialist	Incorrect salary and anniversary date determination, resulting in the employee being overcompensated.	Cal. Code Regs., tit. 2, section 599.674, subd. (a) Cal. Code Regs., tit. 2, § 599.683, subd. (b)

Criteria: Alternate ranges are designed to recognize increased competence in the performance of class duties based upon experience obtained while in the class. The employee gains status in the alternate range

as though each range were a separate classification. (Classification and Pay Guide Section 220.)

Departments are required to calculate and apply salary rules for each appointed employee accurately based on the pay plan for the state civil service. All civil service classes have salary ranges with minimum and maximum rates. (Cal. Code Regs., tit. 2, § 599.666.)

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, January 1, 2025, through June 30, 2025, the CDE issued bilingual pay to six employees. The CRD reviewed five 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	1
Associate Personnel Analyst	1
Education Programs Consultant	1
Office Technician (Typing)	1
Staff Services Analyst	1

FINDING NO. 11	INCORRECT AUTHORIZATION OF BILINGUAL PAY¹¹
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Summary: The CRD found one error in the five bilingual pay authorizations reviewed:

Classification	Description of Finding	Criteria
Education Programs Consultant	Department failed to supply supporting documentation demonstrating the need for bilingual services.	Pay Differential 14

Criteria: An individual must be in a position that has been certified by the department as a position which requires the use of bilingual skills on a continuing basis averaging 10 percent of the time spent either conversing, interpreting or transcribing in a second language and time spent on closely related activities performed directly in conjunction with specific bilingual transactions. (Pay Differential 14.)

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.

¹¹ Repeat finding; see reports dated April 14, 2023, and June 29, 2020.

During the period under review, January 1, 2025, through June 30, 2025, the CDE authorized 14 pay differentials¹². The CRD reviewed 11 of these pay differentials to ensure compliance with applicable CalHR policies and guidelines, which are listed below:

Classification	Pay Differential	Monthly Amount
Associate Governmental Program Analyst (3 Positions)	492	5%
CEA (2 Positions)	492	5%
Education Administrator I	492	5%
Staff Services Manager I (2 Positions)	492	5%
Staff Services Manager II (Supervisory) (2 Positions)	492	5%
Staff Services Manager III	492	5%

FINDING NO. 12	PAY DIFFERENTIAL AUTHORIZATIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES
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The CRD found no deficiencies in the pay differentials that the CDE authorized during the compliance review period. Pay differentials were issued correctly in recognition of unusual competencies, circumstances, or working conditions in accordance with applicable rules and guidelines.

Out-of-Class Assignments 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).)

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

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.

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, January 1, 2025, through June 30, 2025, the CDE issued OOC pay to 10 employees. The CRD reviewed nine of these 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
Associate Budget Analyst	R01	Staff Services Manager I	1/1/25-3/21/25 (Total: 11/21/24-3/21/25)
Associate Governmental Program Analyst	R01	Staff Services Manager I	1/13/25-5/13/25
Associate Governmental Program Analyst	R01	Staff Services Manager I	1/13/25-5/13/25
Associate Governmental Program Analyst	R01	Staff Services Manager I	1/13/25-5/13/25
Education Programs Consultant	R21	Education Administrator I	1/22/25-4/30/25
Executive Assistant	R04	Associate Governmental Program Analyst	1/31/25-5/30/25
Information Officer I (Specialist)	R01	Staff Services Manager I	2/10/25-6/6/25
Research Data Specialist III	R01	Education Research and Evaluation Administrator I	3/1/25-6/29/25
Staff Services Manager I	S01	Staff Services Manager II	1/13/25-6/30/25 (Total: 1/13/25-12/31/25)

FINDING NO. 13	INCORRECT AUTHORIZATION OF OUT-OF-CLASS PAY¹⁴
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Summary: The CRD found nine errors in the nine OOC pay assignments reviewed:

Classification	Out-of-Class Classification	Description of Findings	Criteria
Associate Budget Analyst	Staff Services Manager I	OOC exceeded the 120-day limitation. Incorrect OOC rate calculated resulting in the employee being undercompensated.	Pay Differential 91
Associate Governmental Program Analyst	Staff Services Manager I	OOC exceeded the 120-day limitation. Incorrect OOC rate calculated resulting in the employee being overcompensated.	Pay Differential 91
Associate Governmental Program Analyst	Staff Services Manager I	OOC exceeded the 120-day limitation. Incorrect OOC rate calculated resulting in the employee being overcompensated.	Pay Differential 91
Associate Governmental Program Analyst	Staff Services Manager I	OOC exceeded the 120-day limitation. Incorrect OOC rate calculated resulting in the employee being undercompensated.	Pay Differential 91
Education Programs Consultant	Education Administrator I	Incorrect OOC rate calculated resulting in the employee being undercompensated.	Pay Differential 91
Executive Assistant	Associate Governmental Program Analyst	Incorrect OOC rate calculated resulting in the employee being undercompensated.	Pay Differential 91
Information Officer I (Specialist)	Staff Services Manager I	Incorrect OOC rate calculated resulting in the employee being undercompensated.	Pay Differential 91

¹⁴ Repeat finding; see report dated April 14, 2023.

Classification	Out-of-Class Classification	Description of Findings	Criteria
Research Data Specialist III	Education Research and Evaluation Administrator I	OOO exceeded the 120-day limitation. Employee was not paid for the May 2025 pay period resulting in the employee being undercompensated.	Pay Differential 91
Staff Services Manager I	Staff Services Manager II	Incorrect OOO rate calculated resulting in the employee being overcompensated.	Pay Differential 101

Criteria: An employee may be temporarily required to perform out-of-class work by his/her department for up to one hundred twenty (120) calendar days in any twelve (12) consecutive calendar months when it determines that such an assignment is of unusual urgency, nature, volume, location, duration, or other special characteristics; and, cannot feasibly be met through use of other civil service or administrative alternatives. Departments may not use out-of-class assignments to avoid giving civil service examinations or to avoid using existing eligibility lists created as the result of a civil service examination.

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 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 1500 hours within 12 consecutive months

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

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

may be used rather than the 189-day calculation. (Cal. Code Regs., tit. 2, § 265.1, subd. (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 CDE had 26 positive paid employees whose hours were tracked. The CRD reviewed 18 of these positive paid appointments to ensure compliance with applicable laws, regulations, policies and guidelines, which are listed below:

Classification	Tenure	Time Frame	Hours Worked
Analyst II	Retired Annuitant	7/1/2024-6/30/2025	959
Analyst II	Retired Annuitant	7/1/2024-6/30/2025	474.75
Education Administrator I	Retired Annuitant	7/1/2024-6/30/2025	948.5
Education Administrator I	Retired Annuitant	7/1/2024-6/30/2025	955
Education Fiscal Services Consultant	Retired Annuitant	7/1/2024-6/30/2025	388.5
Education Programs Consultant	Retired Annuitant	7/1/2024-6/30/2025	69.25
Education Programs Consultant	Retired Annuitant	7/1/2024-6/30/2025	180.5
Education Programs Consultant	Retired Annuitant	7/1/2024-6/30/2025	450.5
Education Programs Consultant	Retired Annuitant	7/1/2024-6/30/2025	657
Field Representative, School Administration (Specialist)	Retired Annuitant	7/1/2024-6/30/2025	67
Information Technology Manager I	Retired Annuitant	7/1/2024-6/30/2025	691.4
Nutrition Education Consultant	Retired Annuitant	7/1/2024-6/30/2025	331.5
Nutrition Education Consultant	Retired Annuitant	7/1/2024-6/30/2025	795.5
Senior Accounting Officer (Specialist)	Retired Annuitant	7/1/2024-6/30/2025	949
Student Assistant	Temporary	10/15/2024-9/30/2025	930

Classification	Tenure	Time Frame	Hours Worked
Student Assistant	Temporary	1/25/2025-1/30/2026	750.5
Student Assistant	Temporary	2/15/2025-2/28/2026	955
Student Assistant	Temporary	12/1/2025-4/30/2026	245.5

FINDING NO. 14	POSITIVE PAID EMPLOYEES' TRACKED HOURS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
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The CRD found no deficiencies in the positive paid employees reviewed during the compliance review period. The CDE provided sufficient justification and adhered to applicable laws, regulations and CalHR policy and guidelines for positive paid employees.

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, December 1, 2024, through November 30, 2025, the CDE authorized 99 ATO transactions. The CRD reviewed 25 of these ATO transactions to ensure compliance with applicable laws, regulations, and CalHR policy and guidelines.

FINDING NO. 15	ADMINISTRATIVE TIME OFF WAS NOT PROPERLY DOCUMENTED
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Summary: The CDE 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.

Additionally, one ATO authorization reviewed by the CRD was found to be out of compliance due to it being an inappropriate use of ATO.

Specifically, the documented reason for ATO use did not meet the requirements set forth by the applicable MOU.

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 a justification establishing good cause for maintaining the employee on ATO for the 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 shall create an audit process to review and correct leave input errors on a monthly basis. The review of leave accounting records shall be completed by the pay period following the pay period in which the leave was keyed into the leave accounting system. (*Ibid.*) If an employee’s attendance record is determined to have errors or it is determined that the employee has insufficient balances for a leave type used, the attendance record must be amended. (*Ibid.*) Attendance records shall be corrected by the pay period following the pay period in which the error occurred. (*Ibid.*) Accurate and timely attendance reporting is required of all departments and is subject to audit. (*Ibid.*)

During the period under review, September 1, 2025, through December 1, 2025, the CDE reported 38 units. The CRD reviewed 15 units within 3 pay periods to ensure compliance with applicable laws, regulations and CalHR policy and guidelines.

FINDING NO. 16	DEPARTMENT DID NOT CERTIFY THAT ALL LEAVE RECORDS WERE REVIEWED¹⁷
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Summary: The CDE failed to certify that all leave records have been reviewed and corrected if necessary for 15 out of the 15 units/pay periods reviewed. The CDE does not use the Leave Activity and Correction Certification form; therefore, it was difficult to determine if all units and pay periods were reviewed by the CDE.

Criteria: Each appointing power shall keep complete and accurate time and attendance records for each employee and officer employed within the agency over which it has jurisdiction. (Cal. Code Regs., tit. 2, § 599.665.) Departments are directed to create an audit process to verify all leave input is keyed accurately and timely. (Human Resources Manual Section 2101.) Departments shall identify and record all errors found and shall certify that all leave records for the unit/pay period identified have been reviewed and all leave errors identified have been corrected. (*Ibid.*) Attendance records shall be corrected by the pay period following the pay period in which the error occurred. (*Ibid.*)

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.¹⁸ (Cal. Code Regs., tit. 2, § 599.608.) Full time and fractional employees who

¹⁷ Repeat finding; see report dated April 14, 2023.

¹⁸ 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.

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 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, § 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 employees¹⁹ 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, July 1, 2025, through December 31, 2025, the CDE had four employees with qualifying and non-qualifying pay period transactions. The CRD reviewed all four transactions to ensure compliance with applicable laws, regulations and CalHR policy and guidelines.

FINDING NO. 17	SERVICE AND LEAVE TRANSACTIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
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The CRD determined that the CDE ensured employees with non-qualifying pay periods did not receive vacation/sick leave, annual leave, and/or state service accruals. The CRD found no deficiencies in this area.

¹⁹ 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.

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. 18	DEPARTMENT'S NEPOTISM POLICY DOES NOT CONTAIN ALL REQUIRED COMPONENTS
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Summary: The CDE's nepotism policy does not contain all required components. Specifically, the CDE's nepotism policy does not include:

- A statement that the appointing power is committed to merit-based hiring and that nepotism is antithetical to a merit-based civil service system.
- 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.
- A definition of "personal relationship" as persons related by blood, adoption, current or former marriage, domestic partnership or cohabitation.
- A process for addressing issues of direct supervision when personal relationships exist between employees.

Criteria: 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. (Human Resources Manual Section 1204). All department nepotism policies shall include six specific components which emphasize that nepotism is antithetical to merit-based civil service and include definitions and prohibitions integral to upholding the merit system. (Cal. Code Regs., tit. 2, § 87.)

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 (State Fund) office to discuss the status of volunteers. (*Ibid.*)

FINDING NO. 19	WORKERS' COMPENSATION PROCESS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
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The CRD verified that the CDE 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 CDE 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 CDE 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. 20	PERFORMANCE APPRAISALS WERE NOT PROVIDED TO ALL EMPLOYEES²⁰
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Summary: The CDE did not provide annual performance appraisals to 44 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 CDE’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.

²⁰ Repeat finding; see report dated April 14, 2023.



**CALIFORNIA DEPARTMENT
OF EDUCATION**

TONY THURMOND
STATE SUPERINTENDENT OF
PUBLIC INSTRUCTION

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July 1, 2026

THIS LETTER SENT VIA EMAIL

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

Dear. Ms. Ambrose:

Pursuant to Government Code section 18661, the State Personnel Board (SPB) Compliance Review Division (CRD) conducted a review of the California Department of Education's (CDE/Department) personnel practices to ensure compliance with civil service laws and regulations. On June 16, 2026, the Department received CRD's draft Compliance Review Report. The Department has reviewed the findings and is committed to addressing and correcting the identified deficiencies.

The following sections provide the Department's responses to each finding identified as deficient in the SPB Compliance Review Report, including corrective actions to address the identified deficiencies and ensure ongoing compliance with applicable civil service requirements.

Finding No. 2 – Probationary Evaluations Were Not Provided for All Appointments Reviewed and Some That Were Provided Were Untimely

Summary of Issue: The CDE did not provide 12 of the 57 probationary reports of performance requested for review by the CRD. In addition, the CDE did not provide 21 probationary reports of performance in a timely manner

Cause: Supervisors did not consistently submit probationary evaluations due to decentralized monitoring and reliance on manual tracking.

Response: The Department recognizes the importance of completing probationary reports of performance in accordance with applicable civil service laws, regulations, and policies, and maintaining documentation to demonstrate compliance. The Human Resources Division will reinforce established probationary reporting procedures, provide additional guidance and training to supervisors and managers regarding their responsibilities, and implement enhanced monitoring processes to improve timely completion, retention, and availability of probationary reports.

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Corrective Actions:

- Conduct training for supervisors and managers regarding probationary report requirements, including applicable timelines, documentation standards, and supervisory responsibilities.
- Implement and maintain an enhanced tracking process to monitor probationary report due dates, completion status, and receipt of required documentation.
- Conduct ongoing reviews to monitor probationary report compliance and follow up with supervisors and managers regarding any outstanding or overdue reports to ensure timely completion and adherence to civil service requirements.
- Provide regular compliance updates to leadership to promote continued awareness, accountability, and timely completion of probationary reports.

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

Summary of Issue: The CDE has established a DAC committee; however, the CDE has not held a DAC meeting within the review period.

Cause: Practices did not include recurring outreach, ongoing membership monitoring, or a formal meeting schedule to ensure continued committee activity.

Response: The Department recognizes the importance of supporting employee engagement and maintaining an effective DAC to promote awareness, accessibility, and inclusion within the workplace. The Department is committed to complying with Government Code section 19795 and will take steps to re-establish regular DAC activities, encourage employee participation, and maintain documentation demonstrating ongoing committee operations. The Office of Equal Opportunity will coordinate efforts to reconvene the DAC, establish a recurring meeting schedule, conduct outreach to employees, and implement processes to monitor committee participation and activities.

Corrective Actions:

- Conduct departmentwide outreach to encourage employee participation and solicit membership for the DAC.
- Establish an annual DAC meeting calendar and conduct quarterly meetings to ensure ongoing committee activity and engagement.
- Conduct an annual review of DAC membership and meeting activities to ensure statutory requirements are met.
- Implement an internal tracking process to monitor and document outreach and participation efforts, DAC activities, meeting dates, and membership.

Finding No. 4 – Complainants Were Not Notified of the Reasons for Delays in Decisions Within the Prescribed Time Period

Summary of Issue: The CDE provided evidence that 14 discrimination complaints related to a disability, medical condition, or denial of reasonable accommodation were

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filed during the compliance review period of April 1, 2025, through March 31, 2026. Eleven of the 14 complaint investigations exceeded 90 days and the CDE failed to provide written communication to the complainant regarding the status of the complaint.

Cause: Complaint tracking did not include sufficient monitoring mechanisms and reminder notifications to ensure timely written notifications when required.

Response: The Department recognizes the importance of ensuring complaint investigations are completed timely and that complainants receive required notifications when investigations related to disability, medical condition, or denial of reasonable accommodation cannot be completed within 90 days. The Department will strengthen existing complaint procedures, tracking processes, and communication protocols to improve compliance with notification requirements and ensure timely written notification when delays occur.

Corrective Actions:

- Modify existing complaint tracking processes to identify and monitor complaints related to disability, medical condition, and denial of reasonable accommodation.
- Establish milestone reminders for cases approaching the 90-day timeframe to ensure timely review and issuance of required notifications.
- Develop standardized delay-notification templates for use when investigations remain pending beyond 90 days to promote consistency and compliance with communication requirements.
- Conduct regular reviews of pending cases to verify compliance with notification requirements and identify investigations requiring additional follow-up or communication.
- Provide guidance and/or training to designated investigation staff regarding notification requirements, updated tracking process, and the use of standardized communication templates.

Finding No. 6 – Ethics Training Was Not Provided for all Filers

Summary of Issue: The CDE did not provide ethics training to 139 of 655 existing filers. In addition, the CDE did not provide ethics training to 34 of 146 new filers within 6 months of their appointment.

Cause: Manual tracking and inconsistent enrollment processes contributed to delayed or missed ethics training assignments and limited visibility into training completion status.

Response: The Department recognizes the importance of ensuring employees required to file Statements of Economic Interests complete ethics training within applicable statutory timeframes. To strengthen monitoring and improve timely completion of mandatory training, the Department has initiated implementation of the Cornerstone Learning Management System (LMS), which will provide centralized tracking, automated notifications, reporting capabilities, and enhanced oversight of required

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training completion. The Human Resources Division will utilize the LMS to proactively monitor completion status and support employees and supervisors in maintaining compliance.

Corrective Actions:

- Implement the LMS to establish a centralized process for tracking mandatory training assignments and completion.
- Integrate employee data from various departmental personnel systems into the LMS to support automated training assignments and monitor ethics training requirements.
- Configure automated notifications and escalation communications for employees approaching training due dates and employees with overdue training requirements, including escalation of reminders through the employee's chain of command to support awareness and follow-up.
- Distribute recurring compliance reports to leadership promote to continued awareness, accountability, and timely completion of ethics training.
- Conduct periodic reviews of ethics training completion data and make necessary adjustments to the LMS to enhance compliance monitoring and reporting.

Finding No. 7 – Sexual Harassment Prevention Training Was Not Provided for All Filers

Summary of Issue: The CDE did not provide sexual harassment prevention training to 19 of 45 new supervisors within 6 months of their appointment. In addition, the CDE did not provide sexual harassment prevention training to 76 of 159 existing supervisors every 2 years.

Cause: Manual tracking and inconsistent enrollment processes led to delayed or missed sexual harassment prevention training assignments and limited visibility into training completion status.

Response: The Department is committed to ensuring compliance with statutory sexual harassment prevention training requirements. To strengthen monitoring and improve timely completion of mandatory training, the Department has initiated implementation of the Cornerstone LMS, which will provide centralized tracking, automated notifications, reporting capabilities, and enhanced oversight of required training completion. The Human Resources Division will utilize the LMS to proactively monitor completion status and support employees and supervisors in maintaining compliance.

Corrective Actions:

- Implement the LMS to establish a centralized process for tracking mandatory training assignments and completion.
- Integrate employee data from various departmental personnel systems into the LMS to support automated training assignments and monitor sexual harassment prevention training requirements.

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- Configure automated notifications and escalation communications for employees approaching training due dates and employees with overdue training requirements, including escalation of reminders through the employee's chain of command to support awareness and follow-up.
- Distribute recurring compliance reports to leadership promote to continued awareness, accountability, and timely completion of sexual harassment prevention training.
- Conduct periodic reviews of sexual harassment prevention training completion data and make necessary adjustments to the LMS to enhance compliance monitoring and reporting.

Finding No. 8 – Supervisory Training Was Not Provided for All Supervisors, Managers and CEAs

Summary of Issue: The CDE did not provide basic supervisory training to 3 of 13 new supervisors within 12 months of appointment; did not provide manager training to 2 of 3 new managers within 12 months of appointment; and did not provide CEA training to 1 of 4 new CEAs within 12 months of appointment.

Cause: Manual tracking and inconsistent enrollment processes led to delayed or missed leadership training assignments and limited visibility into training completion status.

Response: The Department is committed to ensuring supervisors, managers, and Career Executive Assignments complete required leadership and development training within established timeframes. To strengthen monitoring and improve timely completion of mandatory training, the Department has initiated implementation of the Cornerstone LMS, which will provide centralized tracking, automated notifications, reporting capabilities, and enhanced oversight of required training completion. The Human Resources Division will utilize the LMS to proactively monitor completion status and support employees and supervisors in maintaining compliance.

Corrective Actions:

- Implement the LMS to establish a centralized process for tracking mandatory training assignments and completion.
- Integrate employee data from various departmental personnel systems into the LMS to support automated training assignments and monitor leadership training and development requirements.
- Configure automated notifications and escalation communications for employees approaching training due dates and employees with overdue training requirements, including escalation of reminders through the employee's chain of command to support awareness and follow-up.
- Distribute recurring compliance reports to leadership promote to continued awareness, accountability, and timely completion of leadership training.

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- Conduct periodic reviews of leadership training completion data and make necessary adjustments to the LMS to enhance compliance monitoring and reporting.

Finding No. 10 – Alternate Range Movements Did Not Comply With Civil Service Laws, Rules, and CalHR Policies and Guidelines

Summary of Issue: The CRD found two errors in the seven alternate range movements reviewed.

Cause: Misapplication of complex criteria and reliance on manual calculations resulted in an incorrect range of movements.

Response: The Department has reviewed the identified issues and completed the necessary corrections. Any required payroll adjustments will be processed accordingly to ensure employees' salary rates and related compensation are accurately reflected. To prevent recurrence, the Human Resources Division is strengthening internal controls related to Merit Salary Adjustment (MSA) processing and salary differential calculations. Analysts will perform enhanced verification of MSA effective dates, eligibility criteria, and salary differential calculations prior to submission. In addition, supervisors and designated reviewers will conduct a secondary review to confirm accuracy, completeness, and compliance with applicable requirements before transactions are finalized. These enhanced review processes are intended to support consistent application of MSA requirements and improve the Department's ability to identify and correct errors prior to processing.

Corrective Actions:

- Implement a mandatory secondary review process by a Payroll Analyst or Payroll Supervisor to verify MSA effective dates, eligibility, and salary calculations prior to finalizing transactions.
- Develop and implement a standardized checklist to document verification of MSA effective dates and accurate application of salary differentials, including applicable percentage calculations (e.g., 3.5% vs. 5%).
- Update job aids and reference materials to clarify MSA requirements, effective date determination, and salary calculation procedures.
- Conduct refresher training for staff responsible for processing and reviewing MSA transactions to ensure consistent understanding and application of requirements.
- Conduct periodic internal audits of MSA and salary transactions to assess compliance, identify trends, and proactively address potential errors.

Finding No. 11 – Incorrect Authorization of Bilingual Pay

Summary of Issue: The CRD found one error in the five bilingual pay authorizations reviewed

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Cause: Approvals were granted without standardized documentation requirements or consistent verification of bilingual duties.

Response: The Department recognizes the importance of maintaining complete and accurate documentation supporting bilingual pay differentials. The Department identified a documentation gap for one employee. The employee was approved for a bilingual pay differential as an Education Programs Assistant; however, the required Bilingual Authorization Form (Std. 897) was not on file following the employee's reclassification to an Education Programs Consultant. The Human Resources Division is updating the employee's record to correct this deficiency. Additionally, the Human Resources Division has updated the Position Control database to capture bilingual pay information, providing a centralized mechanism for tracking, monitoring, and reporting bilingual pay authorizations.

Corrective Actions:

- Reinforce record retention requirements to ensure all supporting documentation for bilingual pay authorizations is properly maintained and readily available for audit purposes.
- Implement periodic reviews of positions receiving bilingual pay differentials to ensure ongoing eligibility and compliance with applicable requirements.
- Provide training to personnel responsible for processing personnel actions to ensure a new Bilingual Authorization Form (Std. 897) is completed whenever employees are reclassified or experience position changes affecting bilingual duties or eligibility.

Finding No. 13 – Incorrect Authorization of Out-of-Class Pay

Summary of Issue: The CRD found nine errors in the nine OOC pay assignments reviewed.

Cause: Misapplication of complex criteria and reliance on manual calculations resulted in incorrect application of OOC pay, including rounding adjustments that affected final payment amounts.

Response: The Department recognizes the importance of accurately processing OOC pay. The Department identified that the discrepancies were primarily the result of rounding adjustments used to remove cents during calculation. The Human Resources Division has updated the OOC calculation tool and will conduct periodic reviews of calculation methodologies to ensure continued accuracy and compliance with applicable pay policies.

Corrective Actions:

- Reinforced internal procedures and provided guidance to staff on verifying eligibility criteria and accurately applying the correct differential calculations.
- Implemented an additional review and quality control check by a Payroll Analyst or Payroll Supervisor prior to finalizing transactions to prevent similar errors.

Finding No. 15 – Administrative Time Off Was Not Properly Documented

Summary of Issue: The CDE 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.

Cause: ATO approvals were issued without standardized forms or consistent documentation practices to support and substantiate leave authorization.

Response: The Department recognizes the importance of accurately authorizing and substantiating ATO usage. The Department will reinforce compliance with established policies and procedures by ensuring that appropriate leave types are applied consistently and in accordance with applicable requirements. CDE supervisors and managers will receive updated guidance regarding leave approval and documentation requirements, and internal review processes will be strengthened to improve consistency, accountability, and compliance.

Corrective Actions:

- Reiterate applicable requirements to all staff and supervisors to ensure proper leave types (not ATO) are used for lateral interviews.
- Require written approval (email or system-based) for all leave requests; verbal approvals will not be accepted.
- Provide targeted guidance to supervisors on appropriate leave approval practices and documentation requirements.
- Implement a standardized leave request and approval workflow within the system to ensure proper tracking, documentation, and auditability.
- Reinforce record retention requirements to ensure all supporting documentation is maintained and accessible for audit purposes.
- Establish periodic reviews of leave transactions to ensure compliance with established policies and procedures and to identify and address potential issues in a timely manner.

Finding No. 16 – Department Did not Certify that All Leave Records Were Reviewed

Summary of Issue: The CDE failed to certify that all leave records have been reviewed and corrected if necessary for 15 out of the 15 units/pay periods reviewed. The CDE does not use the Leave Activity and Correction Certification form; therefore, it was difficult to determine if all units and pay periods were reviewed by the CDE.

Cause: Inconsistent application of required certification steps and insufficient audit controls resulted in incomplete documentation of leave review activities.

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Response: The Department recognizes the importance of maintaining accurate leave records and ensuring sufficient documentation is available to demonstrate compliance with applicable requirements. Currently, leave usage is processed and tracked through the Automated Timesheet System (ATS), and the Department does not utilize the Leave Activity and Correction Certification form. To strengthen documentation and audit readiness, the Department will collaborate with the ATS team to develop a comprehensive report that captures leave activity, corrections, approvals, and related audit information. This report will provide a standardized method for documenting leave review activities and supporting compliance with audit requirements.

Corrective Actions:

- Create and implement a standardized ATS report that captures leave activity and corrections to serve as the official record in lieu of the certification form.
- Work with the ATS team to ensure the report includes all required audit elements, including approvals, dates, changes, and audit trail information.
- Update internal procedures to formally recognize ATS reporting as the official method for documenting leave activity and corrections.
- Provide guidance to staff and supervisors on how leave activity is documented within ATS and how to access audit records.
- Implement periodic reviews of ATS reports to ensure accuracy, completeness, and compliance with audit requirements.
- Ensure ATS records and reports are retained in accordance with departmental and applicable record retention policies.

Finding No. 18 – Department’s Nepotism Policy Does Not Contain All Required Components

Summary of Issue: The CDE’s Nepotism Policy does not contain all required components. Specifically, the CDE’s nepotism policy does not include:

- A statement that the appointing power is committed to merit-based hiring, and that nepotism is antithetical to a merit-based civil service system.
- 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.
- A definition of “personal relationship” as persons related by blood, adoption, current or former marriage, domestic
- partnership or cohabitation.
- A process for addressing issues of direct supervision when personal relationships exist between employees.

Cause: The Department did not have a documented internal control process requiring periodic review and validation of policies. As a result, the policy was not updated within the appropriate review cycle and became outdated.

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Response: The Department recognizes the importance of maintaining a comprehensive nepotism policy that supports merit-based hiring practices and complies with applicable civil service requirements. The Human Resources Division conducted a review of the existing policy and revised it to incorporate all required components, including definitions, merit-based hiring principles, and procedures for addressing supervisory conflicts involving personal relationships. The revised policy will be communicated to CDE employees following completion of the applicable union notice process.

Corrective Actions:

- Notify CDE employees and labor organizations of the updated policy requirements.
- Enforce the updated nepotism policy through supervisory accountability and Human Resources oversight to ensure consistent application of merit-based hiring principles and compliance with all policy requirements.
- Develop a mechanism to periodically evaluate and update the nepotism policy to ensure continued compliance with applicable laws, regulations, and control agency guidance.

Finding No. 20 – Performance Appraisals Were Not Provided to All Employees

Summary of Issue: The CDE did not provide annual performance appraisals to 44 of 100 employees reviewed after the completion of the employee's probationary period.

Cause: Supervisors and managers did not consistently submit performance appraisals due to decentralized monitoring and reliance on manual tracking.

Response: The Department is committed to achieving full compliance with the annual performance appraisal process. The Human Resources Division will implement enhancements to the annual process, including strengthened communication, outreach, and reporting mechanisms to improve awareness, accountability, and timely completion of performance appraisals.

Corrective Actions:

- Issue monthly email reminders to supervisors and managers beginning in September, advising that performance appraisals are due by February 28.
- Enhance outreach to executive leadership in early December to emphasize the importance of timely compliance and accountability.
- Provide training to managers and supervisors throughout January and February to reinforce performance appraisal requirements and procedures.
- In March, distribute reports of outstanding performance appraisals to leadership for follow-up to ensure timely completion and adherence to civil service requirements.

CDE appreciates the opportunity to respond to the findings identified in this report and to implement corrective actions through targeted policy, process, and technology

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improvements. These enhancements are intended to strengthen internal controls, improve compliance with applicable requirements, and support more consistent outcomes in future reporting periods.

If you have any questions, please contact Tristan Aquino, Manager of the Employment Services Office, by phone at (916) 982-2420 or via email at taquino@cde.ca.gov.

Sincerely,

A handwritten signature in black ink that reads "Landai Dong". The signature is written in a cursive, flowing style.

Landai Dong, Director
Human Resources Division