

COMPLIANCE REVIEW REPORT

DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT

Compliance Review Unit
State Personnel Board
August 29, 2023

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INTRODUCTION

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

Pursuant to Government Code section 18661, the SPB's Compliance Review Unit (CRU) conducts compliance reviews of appointing authorities' personnel practices in five areas: examinations, appointments, equal employment opportunity (EEO), personal services contracts (PSC's), and mandated training, to ensure compliance with civil service laws and Board regulations. The purpose of these reviews is to ensure state agencies are in compliance with merit related laws, rules, and policies and to identify and share best practices identified during the reviews.

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

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

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

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

It should be noted that this report only contains findings from this hiring authority's compliance review. Other issues found in SPB appeals and special investigations as well

as audit and review findings by other agencies such as the CalHR and the California State Auditor are reported elsewhere.

EXECUTIVE SUMMARY

The CRU conducted a routine compliance review of the Department of Community Services and Development (CSD) 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	Severity	Finding
Examinations	In Compliance	Permanent Withhold Action Complied with Civil Service Laws and Board Rules
Appointments	Serious	Probationary Evaluations Were Not Provided for All Appointments Reviewed and Some That Were Provided Were Untimely ¹
Appointments	Technical	Appointment Documentation Was Not Kept for the Appropriate Amount of Time
Equal Employment Opportunity	In Compliance	Equal Employment Opportunity Program Complied With All Civil Service Laws and Board Rules
Personal Services Contracts	Serious	Unions Were Not Notified of Personal Services Contracts ²
Personal Services Contracts	Serious	Written Justification Was Not Provided For All Personal Services Contracts
Mandated Training	Very Serious	Ethics Training Was Not Provided for All Filers ³

¹ Repeat Finding: The April 19, 2019, CSD compliance review report identified 8 missing probationary reports for 6 of the 14 appointments reviewed.

² Repeat Finding: The April 19, 2019, CSD compliance review report identified that the CSD did not notify state employee unions prior to entering into 6 of the 6 PSC's reviewed.

³ Repeat Finding: The April 19, 2019, CSD compliance review report identified that the CSD did not provide ethics training to 6 of 11 new filers within 6 months of their appointment.

Area	Severity	Finding
Compensation and Pay	In Compliance	Salary Determinations Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines
Compensation and Pay	In Compliance	Alternate Range Movements Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Compensation and Pay	In Compliance	Out-of-Class Pay Authorization Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines
Leave	In Compliance	Positive Paid Employees' Tracked Hours Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Leave	In Compliance	Administrative Time Off Authorizations Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Leave	In Compliance	Leave Auditing and Timekeeping Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Policy	In Compliance	Nepotism Policy Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Policy	In Compliance	Workers' Compensation Process Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Policy	In Compliance	Performance Appraisal Policy and Processes Complied with Civil Service Laws and Regulations, and CalHR Policies and Guidelines

BACKGROUND

The CSD, a department under the umbrella of the California Health and Human Services Agency, works toward its mission to reduce poverty for Californians by leading the development and coordination of effective and innovative programs for low-income individuals, families, and their communities. The CSD works with non-profit and local government organizations dedicated to helping low-income families achieve and maintain economic security, meet their home energy needs, and reduce their utility costs through energy efficiency upgrades and access to clean renewable energy.

Additionally, the CSD currently employs approximately 119 employees in the following programs: Executive Unit (7), Legal Office (1), Legislative and Public Affairs Division (3), Administrative Services Division which includes Information Technology Services (55), Community Services Block Grants (15), and the Energy and Environmental Services Division (38).

SCOPE AND METHODOLOGY

The scope of the compliance review was limited to reviewing the CSD's examinations, appointments, EEO program, PSC's, mandated training, compensation and pay, leave, and policy and processes⁴. The primary objective of the review was to determine if the CSD's personnel practices, policies, and procedures complied with state civil service laws and Board regulations, Bargaining Unit Agreements, CalHR policies and guidelines, CalHR Delegation Agreements, and to recommend corrective action where deficiencies were identified.

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

A cross-section of the CSD's appointments was selected for review to ensure that samples of various appointment types, classifications, and levels were reviewed. The CRU examined the documentation that the CSD provided, which included Notice of Personnel Action (NOPA) forms, Request for Personnel Actions, vacancy postings, certification lists, transfer movement worksheets, employment history records, correspondence, and probation reports.

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

The CSD's appointments were also selected for review to ensure the CSD applied salary regulations accurately and correctly processed employees' compensation and pay. The

⁴ Timeframes of the compliance review varied depending on the area of review. Please refer to each section for specific compliance review timeframes.

CRU examined the documentation that the CSD 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 CRU reviewed specific documentation for the following personnel functions related to compensation and pay e.g., alternate range movements, and out-of-class assignments.

During the compliance review period, the CSD did not issue or authorize hiring above minimum requests, red circle rate requests, arduous pay, bilingual pay, or monthly pay differentials.

The review of the CSD'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.

The CSD's PSC's were also reviewed.⁵ It was beyond the scope of the compliance review to make conclusions as to whether the CSD's justifications for the contracts were legally sufficient. The review was limited to whether the CSD's practices, policies, and procedures relative to PSC's complied with procedural requirements.

The CSD'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, and that all employees were provided sexual harassment prevention training within statutory timelines.

The CRU reviewed the CSD'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 CRU selected a small cross-section of the CSD's units to ensure they maintained accurate and timely leave accounting records. Part of this review also examined a cross-section of the CSD'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 CRU reviewed a selection of the CSD employees who used Administrative Time Off

⁵If 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.

(ATO) to ensure that ATO was appropriately administered. Further, the CRU reviewed a selection of CSD positive paid employees whose hours are tracked during the compliance review period to ensure that they adhered to procedural requirements.

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

On August 10, 2023, an exit conference was held with the CSD to explain and discuss the CRU's initial findings and recommendations. The CRU received and carefully reviewed the CSD's written response on August 18, 2023, which is attached to this final compliance review report.

FINDINGS AND RECOMMENDATIONS

Examinations

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

During the period under review, October 1, 2021, through June 30, 2022, the CSD did not conduct any examinations.

Permanent Withhold Actions

Departments are granted statutory authority to permit withhold of eligibles from lists based on specified criteria. (Gov. Code, § 18935.) Permanent appointments and promotions within the state civil service system shall be merit-based, ascertained by a competitive examination process. (Cal. Const., art. VII, § 1, subd. (b).) If a candidate for appointment is found not to satisfy the minimum qualifications, the appointing power shall provide written notice to the candidate, specifying which qualification(s) are not satisfied and the reason(s) why. The candidate shall have an opportunity to establish that s/he meets the qualifications. (Cal. Code Regs., tit. 2, § 249.4, subd. (b).) If the candidate fails to respond or fails to establish that s/he meets the minimum qualification(s), the candidate's name shall be removed from the eligibility list. (Cal. Code Regs., tit. 2, § 249.4, subd. (b)(1), (2)), (HR Manual, section 1105.) The appointing authority shall promptly notify the candidate in writing and shall notify the candidate of his or her appeal rights. (*Ibid.*) A permanent withhold does not necessarily permanently restrict a candidate from retaking the examination for the same classification in the future; however, the appointing authority may place a withhold on the candidate's subsequent eligibility record if the candidate still does not meet the minimum qualifications or continues to be unsuitable. (HR Manual, Section 1105). State agency human resources offices are required to maintain specific withhold documentation for a period of five years. (*Ibid.*)

During the period under review, October 1, 2021, through June 30, 2022, the CSD conducted one permanent withhold action. The CRU reviewed the permanent withhold action, which is listed below:

Exam Title	Exam ID	Date List Eligibility Began	Date List Eligibility Ended	Reason Candidate Placed on Withhold
Associate Governmental Program Analyst	9PB04	2/11/2022	2/11/2023	Failed to Meet Minimum Qualification

IN COMPLIANCE	FINDING NO. 1	PERMANENT WITHHOLD ACTION COMPLIED WITH CIVIL SERVICE LAWS AND BOARD RULES
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The CRU found no deficiencies in the permanent withhold actions undertaken by the department during the compliance review period.

Appointments

In all cases not excepted or exempted by Article VII of the California Constitution, the appointing power must fill positions by appointment, including cases of transfers, reinstatements, promotions, and demotions in strict accordance with the Civil Service Act and Board rules. (Gov. Code, § 19050.) The hiring process for eligible candidates chosen for job interviews shall be competitive and be designed and administered to hire candidates who will be successful. (Cal. Code Regs., tit. 2, § 250, subd. (b).) Interviews shall be conducted using job-related criteria. (*Ibid.*) Persons selected for appointment shall satisfy the minimum qualifications of the classification to which he or she is appointed or have previously passed probation and achieved permanent status in that same classification. (Cal. Code Regs., tit. 2, § 250, subd. (d).) While persons selected for appointment may meet some or most of the preferred or desirable qualifications, they are not required to meet all the preferred or desirable qualifications. (*Ibid.*) This section does not apply to intra-agency job reassignments. (Cal. Code Regs., tit. 2, § 250, subd. (e).)

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

During the period under review October 1, 2021, through June 30, 2022, the CSD made 65 appointments. The CRU reviewed 24 of those appointments, which are listed below:

Classification	Appointment Type	Tenure	Time Base	No. of Appts.
CEA, A	CEA	CEA	Full Time	1
CEA, A	CEA	CEA	Full Time	1
Accounting Administration I (Supervisor)	Certification List	Permanent	Full Time	1
Accounting Administration II	Certification List	Permanent	Full Time	1
Accountant I (Specialist)	Certification List	Permanent	Full Time	1
Accountant I (Specialist)	Certification List	Limited Term	Full Time	1

Classification	Appointment Type	Tenure	Time Base	No. of Appts.
Accounting Officer (Specialist)	Certification List	Permanent	Full Time	2
Associate Governmental Program Analyst	Certification List	Permanent	Full Time	3
Information Technology Specialist I	Certification List	Permanent	Full Time	1
Information Technology Specialist II	Certification List	Permanent	Full Time	2
Research Data Specialist II	Certification List	Permanent	Full Time	1
Staff Services Manager I	Certification List	Permanent	Full Time	2
CEA, A	Reinstatement	Retired Annuitant	Full Time	1
Staff Services Analyst (General)	Reinstatement	Retired Annuitant	Full Time	1
Staff Services Manager I	Reinstatement	Retired Annuitant	Full Time	1
Seasonal Clerk	TAU	Temporary	Intermittent	2
Associate Personnel Analyst	Transfer	Permanent	Full Time	1
Associate Personnel Analyst	Transfer	Limited Term	Full Time	1

SEVERITY: SERIOUS	FINDING NO. 2 PROBATIONARY EVALUATIONS WERE NOT PROVIDED FOR ALL APPOINTMENTS REVIEWED AND SOME THAT WERE PROVIDED WERE UNTIMELY
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Summary: The CSD did not provide 5 probationary reports of performance for 3 of the 24 appointments reviewed by the CRU. In addition, the CSD did not provide one probationary report of performance in a timely manner, as reflected in the tables below. This is the second consecutive time this has been a finding for the CSD.

Classification	Appointment Type	No. of Appointments	Total No. of Missing Probation Reports
Information Technology Specialist I	List Appointment	1	1
Information Technology Specialist II	List Appointment	1	3
Staff Services Manager I	List Appointment	1	1

Classification	Appointment Type	No. of Appointments	Total No. of Late Probation Reports
Accounting Administrator II	List Appointment	1	1

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

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

Cause: The CSD notifies supervisors and managers of the requirements and due dates to complete employee probationary reports on a monthly basis. Additionally, the CSD Human Resources (HR) staff conducts monthly meetings by division and follows up on upcoming and past due probationary reports for employees in their respective divisions. Although notification and follow-up processes are in place, not all supervisors and managers completed or provided timely probationary reports to the HR office, as directed.

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

SEVERITY: TECHNICAL	FINDING NO. 3 APPOINTMENT DOCUMENTATION WAS NOT KEPT FOR THE APPROPRIATE AMOUNT OF TIME
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Summary: Of the 24 appointments reviewed, the CSD did not retain the following: 3⁶ NOPAs. Additionally, 2 of the 24 appointment files reviewed were missing all but the hired applicant's application.

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

Severity: Technical. Without documentation, the CRU could not verify if the appointments were properly conducted.

Cause: The CSD states that its Sacramento headquarters were under construction from September 2021 through July 2022, requiring files to be boxed up and relocated to temporary workspaces which impeded HR staff's ability to access files to file documentation timely and in an organized manner. Some documents may have been misplaced during the transition. The CSD states that one missing NOPA was due to the employee's appointment to a different department, and they no longer have access to the employee's file.

⁶ At the time of the compliance review, the CSD reported 3 missing NOPA's. Since the completion of the review, the CSD has attributed 1 of the 3 missing NOPA's to an employee who was appointed to a different department, and they no longer have access to the employee's file.

Corrective Action: Within 90 days of the date of this report, the CSD must submit to the SPB a written corrective action response which addresses the corrections the department will implement to ensure conformity with the record retention requirements of California Code of Regulations, title 2, section 26. Copies of relevant documentation demonstrating that the corrective action has been implemented must be included with the corrective action response.

Equal Employment Opportunity

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

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

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

IN COMPLIANCE	FINDING NO. 4	EQUAL EMPLOYMENT OPPORTUNITY PROGRAM COMPLIED WITH ALL CIVIL SERVICE LAWS AND BOARD RULES
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After reviewing the policies, procedures, and programs necessary for compliance with the EEO program's role and responsibilities according to statutory and regulatory guidelines, the CRU determined that the CSD's EEO program provided employees with information and guidance on the EEO process including instructions on how to file discrimination

claims. Furthermore, the EEO program outlines the roles and responsibilities of the EEO Officer, as well as supervisors and managers. The EEO Officer, who is at a managerial level, reports directly to the Executive Director of the CSD. The CSD also provided evidence of its efforts to promote EEO in its hiring and employment practices and to increase its hiring of persons with a disability.

Personal Services Contracts

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

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

During the period under review, October 1, 2021, through June 30, 2022, the CSD had five PSC's that were in effect. The CRU reviewed all of those, which are listed below.

Vendor	Services	Contract Amount	Justification Identified?	Union Notification?
California Reporting, LLC	Certified Shorthand Reporters	\$5,500	Yes	No
Consol, Inc.	Quality Assurance Field Inspections	\$1,553,536	No	No
Copy Duplicating Systems	Copy Machine Maintenance	\$49,500	No	No

Vendor	Services	Contract Amount	Justification Identified?	Union Notification?
RELX Inc.	LexisNexis e-Info Library Services	\$16,200	Yes	No
Horne, LLP	Low Income Household Water Assistance	\$91,176,862	Yes	No

SEVERITY: SERIOUS	FINDING NO. 5 UNIONS WERE NOT NOTIFIED OF PERSONAL SERVICES CONTRACTS
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Summary: The CSD did not notify unions prior to entering into five of the five PSC's reviewed. This is the second consecutive time this has been a finding for the CSD.

Criteria: Before a state agency executes a contract or amendment to a contract for personal services conditions specified within Government Code section 19130, subdivision (b), the agency shall notify all organizations that represent state employees who perform or could perform the type of work that is called for within the contract, unless exempted under Government code section 19132, subdivision (b)(1). (Cal. Code Regs., tit. 2, § 547.60.2.)

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

Cause: The CSD states that staff turnover in the Contracts Unit inadvertently led to a failure to train new staff on the requirements for notifying unions when procuring personal services contracts.

Corrective Action: Departments are responsible for notifying all organizations that represent state employees who perform or could perform the type of work to be contracted prior to executing a PSC. The PSC's reviewed during this compliance review involved several services and functions which various rank-and-file civil service classifications perform. Within 90 days of the date of this report, the CSD must submit to the SPB a written corrective action response which addresses the corrections the department will implement to ensure conformity with the requirements of California Code of Regulations section 547.60.2. Copies of relevant documentation demonstrating

that the corrective action has been implemented must be included with the corrective action response.

SEVERITY: SERIOUS	FINDING NO. 6 WRITTEN JUSTIFICATION WAS NOT PROVIDED FOR ALL PERSONAL SERVICES CONTRACTS
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Summary: The CSD did not prepare or retain written justification why two contracts satisfied Government Code section 19130, subdivision (b).

Vendor	Services	Contract Dates	Contract Amount
Consol, Inc.	Quality Assurance Field Inspections	07/01/2019 – 06/30/2023	\$1,553,536
Copy Duplicating Systems	Copy Machine Maintenance	12/01/2019 – 11/30/2022	\$49,500

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

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

Cause: The CSD states that staff turnover in the Contracts Unit inadvertently led to a failure to train new staff on the requirements for including written justifications when procuring personal services contracts.

Corrective Action: Within 90 days of the date of this report, the CSD must submit to the SPB a written corrective action response which addresses the corrections the department will implement to ensure conformity with Government Code section 19130, subdivision (b), and California Code of Regulations, title 2, section 547.60, subdivision (a). Copies

of relevant documentation demonstrating that the corrective action has been implemented must be included with the corrective action response.

Mandated Training

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

Upon the initial appointment of any employee designated in a supervisory position, the employee shall be provided a minimum of 80 hours of training, as prescribed by the CalHR. (Gov. Code, § 19995.4, subd. (b).) The training addresses such topics as the role of the supervisor, techniques of supervision, performance standards, and sexual harassment and abusive conduct prevention. (Gov. Code, §§ 12950.1, subds. (a) 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 Career Executive Assignment (CEA) position, the employee shall be provided leadership training and development, as prescribed by CalHR. (Gov. Code, § 19995.4, subds. (d) & (e).) For management employees the training must be a minimum of 40 hours and for CEAs the training must be a minimum of 20 hours. (Ibid.)

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 Board may conduct reviews of any appointing power’s personnel practices to ensure compliance with civil service laws and Board regulations. (Gov. Code, § 18661, subd.

(a.) In particular, the Board may audit personnel practices related to such matters as selection and examination procedures, appointments, promotions, the management of probationary periods, and any other area related to the operation of the merit principle in state civil service. (*Ibid.*) Accordingly, the CRU reviews documents and records related to training that appointing powers are required by the afore-cited laws to provide its employees.

The CRU reviewed the CSD's mandated training program that was in effect during the compliance review period, July 1, 2020, through June 30, 2022. The CSD's ethics training was found to be out of compliance, while the CSD's supervisory training and sexual harassment prevention training were found to be in compliance.

SEVERITY: VERY SERIOUS	FINDING NO. 7 ETHICS TRAINING WAS NOT PROVIDED FOR ALL FILERS
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Summary: The CSD did not provide ethics training to 5 of 23 existing filers. In addition, the CSD did not provide ethics training to 8 of 9 new filers within 6 months of their appointment. This is the second consecutive time this has been a finding for the CSD.

Criteria: New filers must be provided ethics training within six months of appointment. Existing filers must be trained at least once during each consecutive period of two calendar years commencing on the first odd-numbered year thereafter. (Gov. Code, § 11146.3, subd. (b).)

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

Cause: The CSD states that it utilizes an electronic automated Form 700 filing system that notifies filers of the requirement to complete a Form 700 as well as mandated Ethics training simultaneously. However, not all filers completed and submitted certification for Ethics Training in a timely manner as directed. Additionally, after further analysis, the CSD discovered an error with training due dates that occurred during the initial implementation of the electronic filing system.

Corrective Action: Within 90 days of this report, the CSD must submit to the SPB a written corrective action response which addresses the corrections the department will implement to demonstrate conformity with Government Code section 11146.3. Copies of relevant

documentation demonstrating that the corrective action has been implemented must be included with the corrective action response.

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 rate⁷ 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, October 1, 2021, through June 30, 2022, the CSD made 65 appointments. The CRU reviewed 12 of those appointments to determine if the CSD applied salary regulations accurately and correctly processed employees' compensation, which are listed below:

Classification	Appointment Type	Tenure	Time Base	Salary (Monthly Rate)
Accounting I (Specialist)	List Appointment	Permanent	Full Time	\$3,512
Accounting Administrator I (Supervisor)	List Appointment	Permanent	Full Time	\$7,433
Accounting Administrator II	List Appointment	Permanent	Full Time	\$8,352
Accounting Officer (Specialist)	List Appointment	Permanent	Full Time	\$3,872
Associate Governmental Program Analyst	List Appointment	Permanent	Full Time	\$5,149
Associate Personnel Analyst	List Appointment	Permanent	Full Time	\$5,406
Associate Personnel Analyst	Transfer	Limited Term	Full Time	\$5,383

⁷ "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).

Classification	Appointment Type	Tenure	Time Base	Salary (Monthly Rate)
Associate Personnel Analyst	Transfer	Permanent	Full Time	\$5,652
Information Technology Specialist I	List Appointment	Permanent	Full Time	\$6,435
Information Technology Specialist II	List Appointment	Permanent	Full Time	\$9,879
Seasonal Clerk	TAU	Temporary	Intermittent	\$2,600
Staff Services Analyst (General)	Retired Annuitant	Intermittent	Full Time	\$5,604

IN COMPLIANCE	FINDING NO. 8 SALARY DETERMINATIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES
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The CRU found no deficiencies in the salary determinations that were reviewed. The CSD 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 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, October 1, 2021, through June 30, 2022, the CSD employees made five alternate range movements within a classification. The CRU reviewed two of those alternate range movements to determine if the CSD applied salary regulations accurately and correctly processed each employee's compensation, which are listed below:

Classification	Prior Range	Current Range	Time Base	Salary (Monthly Rate)
Staff Services Analyst (Generalist)	Range B	Range C	Full Time	\$3,886
Information Technology Associate	Range C	Range D	Full Time	\$7,451

IN COMPLIANCE	FINDING NO. 9	ALTERNATIVE RANGE MOVEMENTS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES
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The CRU determined that the alternate range movements the CSD made during the compliance review period, satisfied civil service laws, Board rules and CalHR policies and guidelines.

Out-of-Class Assignments and Pay

For excluded⁸ and most rank-and-file employees, out-of-class (OOC) work is defined as performing, more than 50 percent of the time, the full range of duties and responsibilities allocated to an existing class and not allocated to the class in which the person has a current, legal appointment. (Cal. Code Regs., tit. 2, § 599.810, subd. (a)(2).) A higher classification is one with a salary range maximum that is any amount higher than the salary range maximum of the classification to which the employee is appointed. (Cal. Code Regs., tit. 2, § 599.810, subd. (a)(3).)

According to the Classification and Pay Guide, OOC assignments should only be used as a last resort to accommodate temporary staffing needs. All civil service alternatives should be explored first before using OOC assignments. However, certain MOU provisions and the California Code of Regulations, title 2, section 599.810 allow for short-term OOC assignments to meet temporary staffing needs. Should OOC work become necessary, the assignment would be made pursuant to the applicable MOU provisions or salary regulations. Before assigning the OOC work, the department should have a plan to correct the situation before the time period outlined in applicable law, policy or MOU expires. (Classification and Pay Guide Section 375.)

During the period under review, October 1, 2021, through June 30, 2022, the CSD issued OOC pay to one employee. The CRU reviewed the OOC assignment to ensure

⁸ "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.

compliance with applicable MOU provisions, salary regulations, and CalHR policies and guidelines. The OOC assignment is listed below:

Classification	Collective Bargaining Identifier	Out-of-Class Classification	Time Frame
Staff Services Manager I	S01	Staff Services Manager II	12/22/2021 – 02/16/2022

IN COMPLIANCE	FINDING NO. 10	OUT-OF-CLASS PAY AUTHORIZATION COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES
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The CRU found no deficiencies in the OOC pay assignment that the CSD authorized during the compliance review period. OOC pay was issued appropriately to employee performing, more than 50 percent of the time, the full range of duties and responsibilities allocated to an existing class and not allocated to the class in which the person has a current, legal appointment.

Leave

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 of the working days of a month. When counting 189 days, every day worked, including partial days⁹ worked and paid absences¹⁰, are counted. (Cal. Code Regs., tit. 2, § 265.1, subd. (b).) The hours worked in one day is 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-

⁹ For example, two hours or ten hours count as one day.

¹⁰ For example, vacation, sick leave, compensating time off, etc.

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 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 CSD had 15 positive paid employees whose hours were tracked. The CRU reviewed 12 of those positive paid appointments to ensure compliance with applicable laws, regulations, policies and guidelines, which are listed below:

Classification	Tenure	Time Frame	Time Worked
Information Technology Specialist I	Retired Annuitant	July 1, 2021 – June 30, 2022	20 Hours
Information Technology Specialist I	Retired Annuitant	July 1, 2021 – June 30, 2022	960 Hours
Information Technology Specialist I	Retired Annuitant	July 1, 2021 – June 30, 2022	332 Hours
Information Technology Specialist II	Retired Annuitant	July 1, 2021 – June 30, 2022	955 Hours
Information Technology Supervisor II	Retired Annuitant	July 1, 2021 – June 30, 2022	960 Hours
Seasonal Clerk	Temporary	May 1, 2021 – April 30, 2022	948.50 Hours
Staff Services Analyst (General)	Retired Annuitant	July 1, 2021 – June 30, 2022	43 Hours
Student Assistant	Temporary	May 1, 2022 – August 1, 2022	477.50 Hours
Student Assistant	Temporary	April 1, 2022 – August 1, 2022	464.00 Hours

Classification	Tenure	Time Frame	Time Worked
Student Assistant	Temporary	April 1, 2022 – August 1, 2022	384.50 Hours
Student Assistant	Temporary	May 1, 2022 – August 1, 2022	213.00 Hours
Student Assistant	Temporary	May 1, 2022 – August 1, 2022	315.75 Hours

IN COMPLIANCE	FINDING NO. 11 POSITIVE PAID EMPLOYEES' TRACKED HOURS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
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The CRU found no deficiencies in the positive paid employees reviewed during the compliance review period. The CSD 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, April 1, 2021, through March 31, 2022, the CSD authorized 37 ATO transactions. The CRU reviewed 30 of these ATO transactions to ensure compliance with applicable laws, regulations, and CalHR policy and guidelines, which are listed below:

Classification	Time Frame	Amount of Time on ATO
Accountant I Specialist	05/21/2021 – 06/18/2021	4 Hours
Accounting Administrator II	11/11/2022 – 01/13/2022	24 Hours
Accounting Officer Specialist	04/12/2021 – 05/11/2021	18 Hours
Accounting Officer Specialist	04/19/2021 – 04/20/2021	11 Hours

Classification	Time Frame	Amount of Time on ATO
Associate Governmental Program Analyst	04/13/2021 – 04/14/2021	10 Hours
Associate Governmental Program Analyst	08/18/2021 – 08/31/2021	80 Hours
Associate Governmental Program Analyst	04/29/2021 – 05/20/2021	2 Hours
Associate Governmental Program Analyst	05/14/2021	2 Hours
Associate Governmental Program Analyst	04/16/2021	2 Hours
Associate Governmental Program Analyst	04/08/2021	2 Hours
Associate Management Auditor	04/08/2021 – 04/29/2021	4 Hours
Associate Personnel Analyst	08/02/2021 – 09/16/2021	23.25 Hours
Associate Personnel Analyst	05/20/2021 – 01/06/2022	16.25 Hours
Information Technology Specialist I	01/11/2022 – 01/25/2022	80 Hours
Information Technology Specialist I	04/14/2021	8 Hours
Information Technology Specialist II	04/01/2021 – 04/02/2021	16 Hours
Management Services Technician	04/06/2021 – 04/09/2021	2 Hours
Program Technician	08/20/2021 – 02/03/2022	14 Hours
Program Technician	01/11/2022 – 01/25/2022	80 Hours
Program Technician	04/01/2021	8 Hours
Program Technician II	05/03/2021	8 Hours
Senior Accounting Officer Specialist	04/22/2021 – 05/13/2021	4 Hours
Senior Accounting Officer Supervisor	04/14/2021 – 04/05/2021	8.5 Hours
Staff Services Analyst	04/05/2021 – 01/25/2022	37 Hours
Staff Services Analyst	08/02/2021 – 08/24/2021	21 Hours

Classification	Time Frame	Amount of Time on ATO
Staff Services Analyst	04/09/2021	2 Hours
Staff Services Manager I	04/19/2021 – 04/26/2021	48 Hours
Staff Services Manager I	04/14/2021	8 Hours
Staff Services Manager II (Supervisor)	05/11/2021 – 01/12/2022	16 Hours
Supervising Program Technician II	01/20/2022 – 02/04/2022	80 Hours

IN COMPLIANCE	FINDING NO. 12 ADMINISTRATIVE TIME OFF AUTHORIZATIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
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The CRU found no deficiencies in the ATO transactions reviewed during the compliance review period. The CSD provided the proper documentation justifying the use of ATO and adhered to applicable laws, regulations and CalHR policy and guidelines.

Leave Auditing and Timekeeping

Departments must keep complete and accurate time and attendance records for each employee and officer employed within the agency over which it has jurisdiction. (Cal. Code Regs., tit. 2, § 599.665.) 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, January 1, 2022, through March 31, 2022, the CSD reported 4 units comprised of 48 active employees. The pay periods and timesheets reviewed by the CRU are summarized below:

Timesheet Leave Period	Unit Reviewed	No. of Employees	No. of Timesheets Reviewed	No. of Missing Timesheets
January 2022	120	5	5	0
February 2022	140	3	3	0
March 2022	280	8	8	0

IN COMPLIANCE	FINDING NO. 13 LEAVE AUDITING AND TIMEKEEPING COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
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The CRU reviewed employee leave records from three different leave periods to ensure compliance with applicable laws, regulations and CalHR policy and guidelines. Based on our review, the CRU found no deficiencies. The CSD kept complete and accurate time and attendance records for each employee and officer employed within the department and utilized a monthly internal audit process to verify all leave input into any leave accounting system was keyed accurately and timely.

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.*)

IN COMPLIANCE	FINDING NO. 14	NEPOTISM POLICY COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
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The CRU verified that the policy was disseminated to all staff and emphasized the CSD's commitment to the state policy of hiring, transferring, and promoting employees on the basis of merit. Additionally, the CSD's nepotism policy was comprised of specific and sufficient components intended to prevent favoritism, or bias, based on a personal relationship from unduly influencing employment decisions.

Workers' Compensation

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

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

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

IN COMPLIANCE	FINDING NO. 15	WORKERS' COMPENSATION PROCESS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
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The CRU verified that the CSD provides notice to their employees to inform them of their rights and responsibilities under California's Workers' Compensation Law. Furthermore, the CRU verified that when the CSD 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 CRU selected 20 permanent CSD employees to ensure that the department was conducting performance appraisals on an annual basis in accordance with applicable laws, regulations, policies and guidelines.

IN COMPLIANCE	FINDING NO. 16	PERFORMANCE APPRAISAL POLICY AND PROCESSES COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES
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The CRU found no deficiencies in the performance appraisals selected for review. Accordingly, the CSD performance appraisal policy and processes satisfied civil service laws, Board rules, policies and guidelines.

DEPARTMENTAL RESPONSE

The CSD’s departmental response is attached as Attachment 1.

SPB REPLY

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



DAVID SCRIBNER
DIRECTOR

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GAVIN NEWSOM
GOVERNOR

DATE: August 18, 2023

FROM: Amanda Weyer
 Chief of Human Resources
 Department of Community Services and Development

SUBJECT: State Personnel Board Compliance Review – Departmental
 Response for Cause

The Department of Community Services and Development (CSD) has reviewed the 2023 Compliance Review Report (CRR) issued by the State Personnel Board (SPB) and met with SPB on Thursday, August 10, 2023, to complete an Exit Interview. The CSD has drafted the following responses to areas found to be out of compliance:

Finding 2: Appointments

- Probationary evaluations were not provided for all appointments reviewed and some that were provided were untimely:
- Response:
 - o The CSD Human Resources Office (HRO) staff notifies supervisors and managers of the requirement and due dates to complete employee probationary reports on a monthly basis. Additionally, HRO staff conducts monthly meetings by division and follows up on upcoming and past due probationary reports for employees in their respective divisions. Although a notification and follow-up process are in place, not all supervisors and managers completed or provided timely probationary reports to the HRO, as directed.

Finding 3: Appointments

- Appointment documentation was not kept for the appropriate amount of time.
- Response:
 - o The CSD Headquarters office in Sacramento was under construction from September 2021 through July 2022, requiring files to be boxed up and relocated to temporary workspaces which impeded HR staff's ability to access files to file documentation timely and in an organized manner. Some documents may have been misplaced during the transition. However, one NOPA identified as missing was due to the employee's appointment to a different department. CSD did not have access to the employee's file to provide the NOPA.

Finding 5: Personal Services Contracts

- Unions were not notified of personal services contracts.
- Response:
 - o CSD experienced staff turnover in the Contracts Unit which inadvertently lead to a failure to train new staff on the requirements for notifying unions when procuring personal services contracts.

Finding 6: Personal Services Contracts

- Written justification was not provided for all personal services contracts.
- Response:
 - o CSD experienced staff turnover in the Contracts Unit which inadvertently lead to a failure to train new staff on the requirements for including written justifications when procuring personal services contracts.

Finding 7: Mandated Training

- Ethics training was not provided for all filers.
- Response:
 - o The CSD utilizes an electronic automated Form 700 filing system that notifies filers of the requirement to complete a Form 700 as well as mandated Ethics training simultaneously. However, not all filers completed and submitted certification for Ethics Training in a timely manner, as directed. Additionally, after further analysis, CSD discovered an error with training due dates that occurred during the initial implementation of our electronic filing system, Granicus.

For any questions, please contact me at Amanda.Weyer@csd.ca.gov.