



COMPLIANCE REVIEW REPORT

CALIFORNIA NATURAL RESOURCES AGENCY

Compliance Review Unit
State Personnel Board
March 4, 2024

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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 California Natural Resources Agency (CNRA) 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	Examinations Complied with Civil Service Laws and Board Rules
Appointments	In Compliance	Appointments Complied with Civil Service Laws and Board Rules
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 Contract ¹
Mandated Training	Very Serious	Ethics Training Was Not Provided for All Filers ²
Mandated Training	Very Serious	Sexual Harassment Prevention Training Was Not Provided for All Employees ³
Mandated Training	Very Serious	Supervisory Training Was Not Provided for All Supervisors, Managers, and CEAs
Compensation and Pay	Very Serious	Incorrect Application of Salary Determination Laws, Rules, and CalHR Policies and Guidelines for Appointment

¹ Repeat finding. The CNRA's March 29, 2021, compliance review report identified the CNRA did not notify unions prior to entering into the one PSC reviewed.

² Repeat finding. The CNRA's March 29, 2021, compliance review report identified the CNRA did not provide ethics training to 9 of 12 existing filers. In addition, the CNRA did not provide ethics training to 6 of 43 new filers within six months of appointment.

³ Repeat finding. The CNRA's March 29, 2021, compliance review report identified the CNRA did not provide sexual harassment prevention training to 5 of 17 existing supervisors every two years.

Area	Severity	Finding
Compensation and Pay	In Compliance	Bilingual Pay Authorizations Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Compensation and Pay	In Compliance	Out of Class Pay Authorizations 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	Serious	Department Has Not Implemented a Monthly Internal Audit Process to Verify All Leave Input is Keyed Accurately and Timely ⁴
Policy	Very Serious	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	Serious	Performance Appraisals Were Not Provided to All Employees

BACKGROUND

The CNRA oversees and supports more than 26 distinct departments, conservancies, and commissions. It leads efforts to steward California's natural environment and to advance the Governor's key priorities.

Over 19,000 Californians work within CNRA across the state to meet the mission to restore, protect and manage the state's natural, historical, and cultural resources for

⁴ Repeat finding. The CNRA's March 29, 2021, compliance review report identified that the CNRA failed to implement a monthly internal audit process to verify all timesheets were keyed accurately and timely. The CNRA failed to provide Leave Activity and Correction Certification forms for the one unit reviewed during the January through March 2020 pay periods.

current and future generations using creative approaches and solutions based on science, collaboration, and respect for all the communities and interests involved.

The California Department of Forestry and Fire Protection (CAL FIRE) performs human resources operations for the CNRA.

SCOPE AND METHODOLOGY

The scope of the compliance review was limited to reviewing the CNRA's examinations, appointments, EEO program, PSC's, mandated training, compensation and pay, leave, and policy and processes⁵. The primary objective of the review was to determine if the CNRA'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 CNRA'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 CNRA provided, which included examination plans, examination bulletins, job analyses, and scoring results. The CNRA did not conduct any permanent withhold actions during the compliance review period.

A cross-section of the CNRA'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 CNRA provided, which included Notice of Personnel Action forms, Request for Personnel Actions, vacancy postings, certification lists, transfer movement worksheets, employment history records, correspondence, and probation reports. The CNRA did not conduct any unlawful appointment investigations or make any additional appointments during the compliance review period.

The CNRA's appointments were also selected for review to ensure the CNRA applied salary regulations accurately and correctly processed employees' compensation and pay. The CRU examined the documentation that the CNRA 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: out-of-class assignments and bilingual pay. During the compliance review period,

⁵ Timeframes of the compliance review varied depending on the area of review. Please refer to each section for specific compliance review timeframes.

the CNRA did not issue or authorize hiring above minimum (HAM) requests, red circle rate requests, arduous pay, monthly pay differentials, or alternate range movements.

The review of the CNRA'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 CNRA's PSC's were also reviewed.⁶ It was beyond the scope of the compliance review to make conclusions as to whether the CNRA's justifications for the contracts were legally sufficient. The review was limited to whether the CNRA's practices, policies, and procedures relative to PSC's complied with procedural requirements.

The CNRA'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 CNRA'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 the CNRA's unit in order to ensure they maintained accurate and timely leave accounting records. Additionally, the CRU reviewed a selection of the CNRA employees who used Administrative Time Off (ATO) in order to ensure that ATO was appropriately administered. Further, the CRU reviewed a selection of CNRA positive paid employees whose hours are tracked during the compliance review period in order to ensure that they adhered to procedural requirements. During the compliance review period, the CNRA did not have any employees with non-qualifying pay period transactions.

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

⁶If an employee organization requests the SPB to review any personal services contract during the SPB compliance review period or prior to the completion of the final compliance review report, the SPB will not audit the contract. Instead, the SPB will review the contract pursuant to its statutory and regulatory process. In this instance, none of the reviewed PSC's were challenged.

The CRU received and carefully reviewed the CNRA's written response on February 22, 2024, 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, February 1, 2023, through October 31, 2023, the CNRA conducted one examination. The CRU reviewed the examination, which is listed below:

Classification	Exam Type	Exam Components	Final File Date	No. of Apps
Career Executive Assignment (CEA) A, Deputy Director, Ocean Protection Council	CEA	Statement of Qualifications (SOQ) ⁷	6/1/23	21

⁷ In a Statement of Qualifications examination, applicants submit a written summary of their qualifications and experience related to a published list of desired qualifications. Raters, typically subject matter experts, evaluate the responses according to a predetermined rating scale designed to assess their ability to perform in a job classification, assign scores and rank the competitors in a list.

IN COMPLIANCE	FINDING No. 1 EXAMINATIONS COMPLIED WITH CIVIL SERVICE LAWS AND BOARD RULES
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The CRU reviewed one open examination which the CNRA administered in order to create an eligible list from which to make an appointment. The CNRA published and distributed the examination bulletin containing the required information for the examination. Applications received by the CNRA were accepted prior to the final filing date. Applicants were notified about the next phase of the examination process. After all phases of the examination process were completed, the score of each competitor was computed, and a list of eligible candidates was established. The examination results listed the names of all successful competitors arranged in order of the score received by rank. The CRU found no deficiencies in the examination that the CNRA 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, 2023, through September 30, 2023, the CNRA made 44 appointments. The CRU reviewed 17 of those appointments, which are listed below:

Classification	Appointment Type	Tenure	Time Base	No. of Appts.
Associate Governmental Program Analyst	Certification List	Permanent	Full Time	2

Classification	Appointment Type	Tenure	Time Base	No. of Appts.
Associate Park and Recreation Specialist	Certification List	Permanent	Full Time	1
Environmental Program Manager II	Certification List	Permanent	Full Time	1
Environmental Scientist	Certification List	Permanent	Full Time	1
Environmental Scientist	Certification List	Limited Term	Full Time	2
Information Technology Associate	Certification List	Permanent	Full Time	1
Information Technology Specialist II	Certification List	Permanent	Full Time	1
Senior Environmental Scientist (Specialist)	Certification List	Permanent	Full Time	2
Staff Services Analyst	Certification List	Permanent	Full Time	1
Staff Services Manager I	Certification List	Permanent	Full Time	1
Associate Governmental Program Analyst	Transfer	Permanent	Full Time	1
Associate Governmental Program Analyst	Transfer	Limited Term	Full Time	1
Environmental Scientist	Transfer	Limited Term	Full Time	1
Staff Services Manager I	Transfer	Limited Term	Full Time	1

IN COMPLIANCE	FINDING NO. 2 APPOINTMENTS COMPLIED WITH CIVIL SERVICE LAWS AND BOARD RULES
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The CNRA measured each applicant's ability to perform the duties of the job by conducting hiring interviews and selecting the best-suited candidates. For each of the 13 list appointments reviewed, the CNRA ordered a certification list of candidates ranked competitively. After properly clearing the certification lists including SROA, the selected candidates were appointed based on eligibility attained by being reachable within the first three ranks of the certification lists.

The CRU reviewed four CNRA appointments made via transfer. A transfer of an employee from a position under one appointing power to a position under another appointing power may be made if the transfer is to a position in the same class or in another class with substantially the same salary range and designated as appropriate by the executive officer. (Cal. Code Regs., tit. 2, § 425.) The CNRA verified the eligibility of each candidate to their appointed class.

The CRU found no deficiencies in the appointments that the CNRA initiated during the compliance review period. Accordingly, the CRU found that the CNRA's appointments

processes and procedures utilized during the compliance review period satisfied civil service laws and Board rules.

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 CNRA, 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. 3 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 CNRA'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 Director of the CNRA. The CNRA 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, February 1, 2023, through October 31, 2023, the CNRA had one PSC that was in effect. The CRU reviewed the one PSC, which is listed below:

Vendor	Services	Contract Amount	Justification Identified?	Union Notification?
Tara M. Zagofsky	Leadership Development Training	\$50,000	Yes	No

SEVERITY: SERIOUS	FINDING NO. 4 UNIONS WERE NOT NOTIFIED OF PERSONAL SERVICES CONTRACT
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Summary: The CNRA did not notify unions prior to entering into the one PSC reviewed. This is the second consecutive time this has been a finding for the CNRA.

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 in order to ensure they are aware contracts are being proposed for the type of work that their members could perform.

Cause: The CNRA states that their contracts staff believed the PSC was exempt from union notification due to the dollar amount.

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 reviewed during this compliance review involved services and functions which various rank-and-file civil service classifications perform. The CNRA asserts it has taken steps to ensure compliance in this area. Within 90 days of the date of this report, the CNRA must submit to the SPB documentation which demonstrates the corrections the department has implemented to ensure conformity with the requirements of California Code of Regulations section 547.60.2.

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 CNRA’s mandated training program that was in effect during the compliance review period, November 1, 2021, through October 31, 2023. The CNRA’s ethics training, sexual harassment prevention training, and supervisory training were found to be out of compliance.

SEVERITY: VERY SERIOUS	FINDING NO. 5 ETHICS TRAINING WAS NOT PROVIDED FOR ALL FILERS
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Summary: The CNRA did not provide ethics training to 2 of 20 existing filers. In addition, the CNRA did not provide ethics training to 5 of 24 new filers

within 6 months of their appointment. This is the second consecutive time this has been a finding for the CNRA.

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 CNRA states that the COVID-19 pandemic and staff turnover caused a delay in migrating to a new online ethics training management system. This resulted in human errors in the training notification process and deployment of training.

Corrective Action: The CNRA asserts it has taken steps to ensure compliance in this area. Within 90 days of the date of this report, the CNRA must submit to the SPB documentation which demonstrates the corrections the department has implemented to ensure conformity with Government Code section 11146.3.

SEVERITY: VERY SERIOUS	FINDING NO. 6 SEXUAL HARASSMENT PREVENTION TRAINING WAS NOT PROVIDED FOR ALL EMPLOYEES
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Summary: The CNRA did not provide sexual harassment prevention training to 5 of 13 new supervisors within 6 months of their appointment. In addition, the CNRA did not provide sexual harassment prevention training to 5 of 33 existing supervisors every 2 years. This is the second consecutive time this has been a finding for the CNRA.

Furthermore, the CNRA did not provide sexual harassment prevention training to 1 of 49 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.)

Severity: Very Serious. The department does not ensure that all new and existing employees are properly trained to respond to sexual harassment or unwelcome sexual advances, requests for sexual favors, and other verbal or physical harassment of a sexual nature. This limits the department's ability to retain a quality workforce, impacts employee morale and productivity, and subjects the department to litigation.

Cause: The CNRA states that despite all employees being notified and reminded of the mandatory sexual harassment prevention training, not all employees completed the training timely.

Corrective Action: The CNRA asserts it has taken steps to ensure compliance in this area. Within 90 days of the date of this report, the CNRA must submit to the SPB documentation which demonstrates the corrections the department has implemented to ensure that all employees are provided sexual harassment prevention training in accordance with Government Code section 12950.1.

SEVERITY: VERY SERIOUS	FINDING NO. 7 SUPERVISORY TRAINING WAS NOT PROVIDED FOR ALL SUPERVISORS, MANAGERS, AND CEAS
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Summary: The CNRA provided CEA training to their 2 new CEAs within 12 months of appointment; however, the CNRA did not provide basic supervisory training to 1 of 2 new supervisors 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 Career Executive Assignment position, each employee must receive 20 hours of leadership training within 12 months of appointment. (Gov. Code, § 19995.4, subd. (e).)

Severity: Very Serious. The department does not ensure its leaders are properly trained. Without proper training, leaders may not properly carry out their leadership roles, including managing employees.

Cause: The CNRA states that the new supervisor enrolled in the basic supervisory training within the required timeframe; however, they were unable to complete the training within one year of their appointment date.

Corrective Action: The CNRA asserts it has taken steps to ensure compliance in this area. Within 90 days of the date of this report, the CNRA must submit to the SPB documentation which demonstrates the corrections the department has implemented to ensure that new supervisors are provided supervisory training within twelve months of appointment as required by Government Code section 19995.4.

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 rate⁸ 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, 2023, through September 30, 2023, the CNRA made 44 appointments. The CRU reviewed eight of those appointments to determine if the CNRA applied salary regulations accurately and correctly processed employees' compensation, which are listed below:

⁸ "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 Governmental Program Analyst	Certification List	Permanent	Full Time	\$5,578
Associate Park Recreation Specialist	Certification List	Permanent	Full Time	\$6,061
Environmental Scientist	Certification List	Permanent	Full Time	\$6,375
Information Technology Associate	Certification List	Permanent	Full Time	\$4,516
Senior Environmental Scientist (Specialist)	Certification List	Permanent	Full Time	\$8,322
Senior Environmental Scientist (Specialist)	Certification List	Permanent	Full Time	\$8,322
Associate Governmental Program Analyst	Transfer	Limited Term	Full Time	\$5,518
Environmental Scientist	Transfer	Limited Term	Full Time	\$6,375

SEVERITY: VERY SERIOUS	FINDING NO. 8 INCORRECT APPLICATIONS OF SALARY DETERMINATION LAWS, RULES, AND CALHR POLICIES AND GUIDELINES FOR APPOINTMENT
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Summary: The CRU found one error in the eight salary determinations reviewed:

Classification	Description of Finding	Criteria
Associate Governmental Program Analyst	Incorrect salary determination resulting in the employee being overcompensated.	Cal. Code Regs., tit.2 section 599.674, subd. (a)

Criteria: 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.)

Severity: Very Serious. In one circumstance, the CNRA failed to comply with the requirements outlined in the state civil service pay plan. Incorrectly applying compensation laws and rules in accordance with

CalHR's policies and guidelines results in civil service employees receiving incorrect and/or inappropriate pay amounts.

Cause: The CNRA states the Personnel Specialist erroneously calculated the salary by incorrectly rounding the percentage of the range differential for the appointment.

Corrective Action: Within 90 days of the date of this report, the CNRA must submit to the SPB a written corrective action response which addresses the corrections the department will implement to ensure that employees are compensated correctly. The CNRA must establish an audit system to correct current compensation transactions as well as future transactions. Copies of relevant documentation demonstrating that the corrective action has been implemented must be included with the corrective action response.

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, 2023, through September 30, 2023, the CNRA issued bilingual pay to two employees. The CRU reviewed the two bilingual pay authorizations to ensure compliance with applicable CalHR policies and guidelines. These are listed below:

Classification	Bargaining Unit	Time Base	No. of Appts.
Environmental Scientist	R10	Full Time	1
Staff Services Manager I	S01	Full Time	1

IN COMPLIANCE	FINDING NO. 9 BILINGUAL PAY AUTHORIZATIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES
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The CRU found that the bilingual pay authorized to employees during the compliance review period satisfied civil service laws, Board rules and CalHR policies and guidelines.

Out-of-Class Assignments and Pay

For excluded⁹ 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, January 1, 2023, through September 30, 2023, the CNRA issued OOC pay to two employees. The CRU reviewed the two OOC assignments to ensure compliance with applicable MOU provisions, salary regulations, and CalHR policies and guidelines. These are listed below:

⁹ “Excluded employee” means an employee as defined in Government Code section 3527, subdivision (b) (Ralph C. Dills Act) except those excluded employees who are designated managerial pursuant to Government Code section 18801.1.

Classification	Bargaining Unit	Out-of-Class Classification	Time Frame
Environmental Program Manager I (Supervisory)	S10	Deputy Secretary for Oceans and Coastal Policy	1/1/23-1/16/23
Office Technician (General)	R01	Staff Services Analyst	8/8/23-9/5/23

IN COMPLIANCE	FINDING NO. 10 OUT OF CLASS PAY AUTHORIZATIONS 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 assignments that the CNRA authorized during the compliance review period. OOC pay was issued appropriately to employees 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 the working days of a month. When counting 189 days, every day worked, including partial days¹⁰ worked and paid absences¹¹, 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.*)

¹⁰ For example, two hours or ten hours count as one day.

¹¹ For example, vacation, sick leave, compensating time off, etc.

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 CNRA had seven positive paid employees whose hours were tracked. The CRU reviewed six 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
Senior Environmental Scientist (Specialist)	Retired Annuitant (RA)	7/1/22-6/30/23	77 Hours
Senior Environmental Scientist (Specialist)	RA	7/1/22-6/30/23	100 Hours
Staff Services Manager II (Supervisory)	RA	7/1/22-6/30/23	278 Hours
Staff Services Manager III	RA	7/1/22-6/30/23	258 Hours
Student Assistant	Temporary	4/1/22-3/30/23	1,402 Hours
Student Assistant	Temporary	10/1/23-9/30/23	1,157 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 CNRA 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, August 1, 2022, through July 31, 2023, the CNRA authorized three ATO transactions. The CRU reviewed the three 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
Associate Governmental Program Analyst	12/29/22 - 1/3/23	19 Hours
Environmental Scientist	12/19/22 - 12/23/22	40 Hours
Staff Services Manager I	12/5/22 - 12/9/22	40 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 CNRA 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, May 2, 2023, through August 1, 2023, the CNRA reported one unit comprised of 100 active employees during the May 2023 pay period, 104 active employees during the June 2023 pay period, and 113 active employees during the July 2023 pay period. The pay period 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
May 2023	001	100	96	4

SEVERITY: SERIOUS	FINDING NO. 13 DEPARTMENT HAS NOT IMPLEMENTED A MONTHLY INTERNAL AUDIT PROCESS TO VERIFY ALL LEAVE INPUT IS KEYED ACCURATELY AND TIMELY
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Summary: The CNRA failed to implement a monthly internal audit process to verify all timesheets were keyed accurately and timely and to certify that all leave records have been reviewed and corrected if necessary. This is the second consecutive time this has been a finding for the CNRA. In addition, the CNRA did not retain four timesheets during the May 2023 pay period.

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.*)

Severity: Serious. Departments must document that they reviewed all leave inputted into their leave accounting system to ensure accuracy and timeliness. Failure to audit leave could put the department at risk of incurring additional costs from the initiation of collection efforts from overpayments, and the risk of liability related to recovering inappropriately credited leave hours and funds.

Cause: The CNRA states that new staff assumed the attendance clerk duties and it is unclear whether the proper training and expectations were transitioned to the new staff.

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

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.*)

SEVERITY: VERY SERIOUS	FINDING NO. 14 DEPARTMENT'S NEPOTISM POLICY DOES NOT CONTAIN ALL REQUIRED COMPONENTS
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Summary: The CNRA's nepotism policy does not contain all required components. Specifically, the CNRA's nepotism policy does not include a statement that prohibits participation in the selection of an applicant for employment by anyone who has a personal relationship with the applicant.

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.)

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

Cause: The CNRA states they are currently in the process of revising its existing nepotism policy to include all six anti-nepotism components specified in the Human Resources Manual.

Corrective Action: Within 90 days of the date of this report, the CNRA must submit to the SPB a written corrective action response which includes an updated nepotism policy which contains requirements outlined in

Human Resources Manual section 1204, and documentation demonstrating that it has been distributed to all staff.

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 CNRA 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 CNRA 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 CNRA 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 16 permanent CNRA employees to ensure that the department was conducting performance appraisals on an annual basis in accordance with applicable laws, regulations, policies and guidelines.

SEVERITY: SERIOUS	FINDING NO. 16 PERFORMANCE APPRAISALS WERE NOT PROVIDED TO ALL EMPLOYEES
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Summary: The CNRA did not provide annual performance appraisals to 12 of 16 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.)

Severity: Serious. The department does not ensure that all employees are apprised of work performance issues and/or goals in a systematic manner.

Cause: The CNRA acknowledges that there was a discrepancy between their performance appraisal policy and the direction provided in their annual performance appraisal email notifications to staff, which resulted in not all performance appraisals being completed timely.

Corrective Action: Within 90 days of the date of this report, the CNRA 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 19992.2 and California Code of Regulations, title 2, section 599.798. Copies of relevant documentation demonstrating that the corrective action has been implemented must be included with the corrective action response.

DEPARTMENTAL RESPONSE

The CNRA's departmental response is attached as Attachment 1.

SPB REPLY

Based upon the CNRA's written response, the CNRA 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.



GAVIN NEWSOM, Governor
WADE CROWFOOT, Secretary for Natural Resources

February 22, 2024

Suzanne M. Ambrose
Executive Director
The State Personnel Board
801 Capitol Mall
Sacramento, California 95814

Dear Executive Director Ambrose,

This letter is in response to the draft State Personnel Board (SPB) Compliance Review Unit's Compliance Review Report issued to the California Natural Resources Agency (CNRA) regarding its personnel practices in the areas of examinations, appointments, equal employment opportunity, personnel services contracts, and mandated training.

CNRA is grateful for the efforts and insight that came from the SPB compliance review report. CNRA continues to be committed to regularly evaluating and updating all practices and procedures to ensure compliance with all applicable laws, rules, and regulations. CNRA contracts with the California Department of Forestry and Fire Protection (CAL FIRE) for most of CNRA's human resources (HR) and accounting responsibilities, and this will be referenced in the response, as applicable.

CNRA has reviewed the draft compliance review report provided by SPB on February 7, 2024. The following are the findings and CNRA and CAL FIRE's response to each finding.

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

Cause/Response: Contract staff believed the contract was exempt due to the dollar amount of the contract. It is acknowledged that this is a repeat finding and that guidance and direction regarding notifying the union of any personal services contract was not clear to staff. The procurement checklist has been revised to state this requirement more clearly. In addition, going forward, any

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personal services contract entered in the Financial Information System for California (FI\$Cal) is not to be approved without proof of union notification. Additional direction will be provided to staff, as well as expanded upon in the Policy and Procedure Manual (PPM) revision that will occur this calendar year.

Finding No. 5 – Ethics Training Was Not Provided for All Filers

Cause/Response: In response to the last SBP audit findings, CNRA contracted with an outside organization to manage both Ethics training and Form 700 data; however, due to the COVID-19 pandemic and staff turnover, CNRA did not migrate to the new online system until 2023. This resulted in human errors in the notification process, deployment of training, as well as follow-up on non-compliance. CNRA has updated its process so that CNRA HR notifies the CNRA or Ocean Protection Counsel Filing Officer of new hires, who inputs required information into the electronic system; in turn, the system entry triggers an email notification to filers to complete the Statement of Economic Interest Form 700 filing requirements, with reminder emails that follow-up until form completion. All CNRA Form 700 filers are required to take ethics training, and the system generates a link to the online training, as well as instructions to upload completed certificates. The system generates reminder emails until complete. These new procedures ensure compliance of ethics training within six months of employment, as well as ongoing every two years, and Form 700 filing within 30 days of employment, utilizing chain of command reminders to enforce compliance when ethics training is not completed timely.

Finding No. 6 – Sexual Harassment Prevention Training Was Not Provided for All Employees

Cause/Response: All employees, both new and existing, are notified and reminded of the mandatory Sexual Harassment Prevention Training (SHPT) by CNRA. However, not all employees completed their mandatory SHPT in a timely manner. CNRA contracts with the Department of Water Resources to use their Inspired Learning Management System (iLMS) for the SHPT. CNRA uses the iLMS to track new employees to ensure compliance with training within the first month of employment. Annually, every September, CNRA pushes out mandated training for all employees; this includes the SHPT to employees who have not taken the SHPT in two years. The CNRA's HR Liaison closely tracks all training to ensure compliance, utilizing chain of command reminders to enforce compliance when training is not completed in a timely manner. CNRA HR has updated its mandatory training procedures to include sending multiple out of compliance emails to the employee that will include a Cc to the direct supervisor and escalation to executive management to ensure support in full compliance.

Finding No. 7 – Supervisory Training Was Not Provided for All Supervisors, Managers, and CEAs

Cause/Response: The one newly appointed manager signed up for basic supervisory training within the required timeframe, however, they were unable to complete the training within one year of their appointment date. CNRA believes this is an isolated incident. In January 2023, CNRA HR initiated efforts to ensure all Supervisors, Managers, CEAs are in compliance with mandatory supervisory training. The CNRA HR team has since established updated procedures to track mandated leadership trainings for all Supervisor, Managers, CEAs and send reoccurring reminders as necessary.

Finding No. 8 – Incorrect Application of Salary Determination Laws, Rules, and CalHR Policies and Guidelines for Appointment

Cause/Response: As the contracted HR office for CNRA, CAL FIRE's review of the hiring package confirms the Personnel Specialist (PS) erroneously calculated appointment salary (percentage increase) by incorrectly rounding the percentage of the range differential owed for the appointment. In accordance with CCR 599.674(a), the employee was entitled to a range differential of 4.7% applied to their current salary. PS rounded percentage to 5% resulting in \$16.00 overpayment. Due to staff turnover, CAL FIRE HR continues to implement and enhance daily training and technical guidance to PS staff regarding application and interpretation of civil service salary rules to prevent further errors related to employee payroll and appointment salaries.

Finding No. 13 – Department Has Not Implemented a Monthly Internal Audit Process to Verify All Leave Input is Keyed Accurately and Timely

Cause/Response: As the contracted HR office for CNRA, CAL FIRE internal policies/procedures and checklists related to Timely Leave Accounting continued to be in place for CNRA during the audit/review period identified. The Attendance Clerk Monthly Checklist and CalHR 139 forms were provided to previous CNRA staff responsible for the Attendance Clerk duties to assist them with the processing requirements and CAL FIRE HR due dates for timesheets and monthly auditing of employee attendance and leave use. As new CNRA staff assumed the attendance clerk responsibilities, it is unclear whether proper training and expectations were transitioned internally to the new CNRA HR staff. CAL FIRE and CNRA HR will continue to work together to ensure all parties receive the proper training/guidance/resources, in accordance with civil service laws and rules, regarding the expectations, responsibilities, and duties related to timely and accurate attendance and leave accounting.

Finding No. 14 – Department's Nepotism Policy Does Not Contain All Required Components

Cause/Response: In response to SPB's 2021 report, CNRA established its own anti-nepotism policy which it believed to be comprehensive and emphasized that nepotism is antithetical to merit-based civil service and included definitions and prohibitions integral to upholding the merit system. To ensure complete compliance, CNRA is currently revising its existing nepotism policy to clearly include all six anti-nepotism policy components as provided in CalHR's HR Manual Section 1204. Once completed, CNRA HR will immediately replace its existing nepotism policy with the revised CNRA nepotism policy on CNRA's intranet site, provide notice to all current employees, and provide to all new hires when onboarding.

Finding No. 16 – Performance Appraisals Were Not Provided to All Employees

Cause/Response: In 2022, CNRA HR updated their annual performance appraisal process to send an email notification in December of each year to its managers and supervisors whose staff are due a performance appraisal for that year. Within the email notification, it provided a future month's due date that performance appraisals must be received by. SPB identified twelve employees that CNRA did not provide annual performance appraisals for, however, eleven of the twelve appraisals were provided, although some were provided past the original due date. To further refine the process and provide more clarity, the CNRA performance appraisal policy will be updated to match the direction provided in the annual email notification. The updated policy will indicate that every December, notification will be sent to each manager and supervisor whose staff are due a performance appraisal for that year. A due date will be provided which allows the supervisor/manager three months to complete, with a final due date in March of the new year. To ensure supervisors and managers comply with this mandate, CNRA HR will send monthly reminders leading up to the final due date.

CNRA would like to express gratitude and appreciation once again for the opportunity to review and respond to the findings of SPB's compliance review report. CNRA has gained invaluable insight and guidance to help CNRA continue to be committed to consistently complying with the State's laws, rules, and regulation regarding personnel practices.

Page 5

Sincerely,

Becca Moore

Becca Moore

Deputy Assistant Secretary for Administration and Finance

On behalf of Bryan Cash

Assistant Secretary for Administration and Finance

California Natural Resources Agency

cc: Kerry Garcia, CAL FIRE Deputy Director for Management Services
Serena Ortega, CAL FIRE Deputy Director for Equal Employment
Opportunity
Windy C. Bouldin, CAL FIRE Deputy Director for the Office of Program
Accountability
Stephanie Portela, CAL FIRE Assistant Deputy Director, Human Resources