



# **COMPLIANCE REVIEW REPORT**

  

## **CALIFORNIA DEPARTMENT OF VETERANS AFFAIRS**

Compliance Review Unit  
State Personnel Board  
June 17, 2022

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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." The SPB and the 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, the 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 the SPB's 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 Department of Veterans Affairs' (CalVet's) 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   |
| Examinations                 | In Compliance | Permanent Withhold Actions Complied with Civil Service Laws and Board Rules   |
| Appointments                 | Very Serious  | Unlawful Appointment by Way of Transfer   |
| Appointments                 | In Compliance | Unlawful Appointment Investigation Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines |
| 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 <sup>1</sup>  |
| Mandated Training            | Very Serious  | Ethics Training Was Not Provided for All Filers   |
| Mandated Training            | Very Serious  | Sexual Harassment Prevention Training Was Not Provided for All Supervisors  |
| Compensation and Pay         | In Compliance | Salary Determinations Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines              |
| Compensation and Pay         | In Compliance | Arduous Pay Authorization Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines       |

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<sup>1</sup> Repeat finding. The October 31, 2019, the CalVet's Compliance Review Report identified 11 out of 16 reviewed PSC's for which unions were not notified.

| Area                 | Severity      | Finding  |
|----------------------|---------------|--|
| Compensation and Pay | In Compliance | Bilingual Pay Authorization Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines            |
| Compensation and Pay | In Compliance | Pay Differential Authorization Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines            |
| Compensation and Pay | Very Serious  | Incorrect Application of Out-of-Class Pay <sup>2</sup>   |
| 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 Did Not Retain Employee Time and Attendance Records   |
| Leave                | Serious       | Department Has Not Implemented a Monthly Internal Audit Process to Verify All Leave Input is Keyed Accurately and Timely   |
| 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               | Serious       | Performance Appraisals Were Not Provided to All Employees  |

### **BACKGROUND**

The CalVet works to serve California veterans and their families. With nearly 1.6 million veterans living in the State, the CalVet strives to ensure its veterans of every era, and their families, get the state and federal benefits and services they have earned and deserve as a result of selfless and honorable military service.

The CalVet strives to serve veterans and their families with dignity and compassion and to help them achieve their highest quality of life. The CalVet has approximately 3,500

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<sup>2</sup> Repeat finding. The October 31, 2019, the CalVet's Compliance Review Report identified incorrect Out-of-Class authorizations for 3 out of 4 reviewed.

employees including clinical, administrative, analytical, and clerical staff in support of eight veterans homes, three state-operated veterans cemeteries, three veterans services district offices, a Veterans Board and a headquarters office located in Sacramento.

### **SCOPE AND METHODOLOGY**

The scope of the compliance review was limited to reviewing the CalVet's examinations, appointments, EEO program, PSC's, mandated training, compensation and pay, leave, and policy and processes<sup>3</sup>. The primary objective of the review was to determine if the CalVet'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 CalVet's examinations were selected for review to ensure that samples of various examination types, classifications, and levels were reviewed. The CRU examined the documentation that the CalVet provided, which included examination plans, examination bulletins, job analyses, and scoring results. The CRU also reviewed the CalVet's permanent withhold actions documentation, including Withhold Determination Worksheets, State applications (STD 678), class specifications, and withhold letters.

A cross-section of the CalVet's appointments were selected for review to ensure that samples of various appointment types, classifications, and levels were reviewed. The CRU examined the documentation that the CalVet 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 CRU also reviewed the CalVet's policies and procedures concerning unlawful appointments to ensure departmental practices conform to state civil service laws and Board regulations.

The CalVet did not make any additional appointments during the compliance review period.

The CalVet's appointments were also selected for review to ensure the CalVet applied salary regulations accurately and correctly processed employees' compensation and pay. The CRU examined the documentation that the CalVet provided, which included

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<sup>3</sup> Timeframes of the compliance review varied depending on the area of review. Please refer to each section for specific compliance review timeframes.

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: arduous pay, bilingual pay, monthly pay differentials, and out-of-class assignments.

During the compliance review period, the CalVet did not issue or authorize hiring above minimum requests, red circle rate requests, or alternate range movements.

The review of the CalVet'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 CalVet's PSC's were also reviewed.<sup>4</sup> It was beyond the scope of the compliance review to make conclusions as to whether the CalVet's justifications for the contracts were legally sufficient. The review was limited to whether the CalVet's practices, policies, and procedures relative to PSC's complied with procedural requirements.

The CalVet's mandated training program was reviewed to ensure all employees required to file statements of economic interest were provided ethics training, and that all employees were provided sexual harassment prevention training within statutory timelines.

The CRU reviewed the CalVet'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 CalVet's units in order to ensure they maintained accurate and timely leave accounting records. Additionally, the CRU reviewed a selection of the CalVet employees who used Administrative Time Off (ATO) in order to ensure that ATO was appropriately administered. Further, the CRU reviewed a selection of CalVet 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 CalVet did not have any employees with non-qualifying pay period transactions.

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<sup>4</sup>If 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.

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

On March 25, 2022, an exit conference was held with the CalVet to explain and discuss the CRU's initial findings and recommendations. The CRU received and carefully reviewed the CalVet's written response on May 2, 2022, 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, December 2, 2020, through May 31, 2021, the CalVet conducted 20 examinations. The CRU reviewed those 20 examinations, which are listed below:



| Classification               | Exam Type | Exam Components                            | Final File Date | No. of Apps. |
|------------------------------|-----------|--|-----------------|--------------|
| Audiologist I                | Open      | Training and Experience (T&E) <sup>5</sup> | 1/1/21          | 1            |
| Chief of Plant Operations I  | Open      | T&E  | 4/1/21          | 1            |
| Clinical Social Worker       | Open      | T&E  | 1/1/21          | 3            |
| Cook Specialist I            | Open      | T&E  | 4/1/21          | 10           |
| Cook Specialist II           | Open      | T&E  | 1/1/21          | 8            |
| Cook Specialist II           | Open      | T&E  | 2/1/21          | 4            |
| Food Manager                 | Open      | T&E  | 2/1/21          | 2            |
| Food Service Technician I    | Open      | T&E  | 6/1/21          | 29           |
| Food Service Technician I    | Open      | T&E  | 4/1/21          | 37           |
| Laundry Worker               | Open      | T&E  | 3/1/21          | 3            |
| Laundry Worker               | Open      | T&E  | 1/1/21          | 5            |
| Nurse Instructor             | Open      | T&E  | 1/1/21          | 1            |
| Pharmacist I                 | Open      | T&E  | 2/1/21          | 9            |
| Pharmacy Technician          | Open      | T&E  | 6/1/21          | 4            |
| Physical Therapist I         | Open      | T&E  | 5/2/21          | 1            |
| Resident Care Specialist     | Open      | T&E  | 4/1/21          | 17           |
| Security Guard               | Open      | T&E  | 1/1/21          | 4            |
| Security Guard               | Open      | T&E  | 2/1/21          | 3            |
| Supervising Cook II          | Open      | T&E  | 4/1/21          | 1            |
| Supervising Registered Nurse | Open      | T&E  | 4/26/21         | 2            |

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|----------------------|--|
| <b>IN COMPLIANCE</b> | <b>FINDING NO. 1 EXAMINATIONS COMPLIED WITH CIVIL SERVICE LAWS AND BOARD RULES</b> |
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The CRU reviewed 20 open examinations which the CalVet administered in order to create eligible lists from which to make appointments. The CalVet published and distributed examination bulletins containing the required information for all examinations. Applications received by the CalVet were accepted prior to the final filing date. Applicants were notified about the next phase of the examination process. After all phases of the examination process were completed, the score of each competitor was computed, and a list of eligible candidates was established. The examination results listed the names of all successful competitors arranged in order of the score received by rank. The CRU found no deficiencies in the examinations that the CalVet conducted during the compliance review period.

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<sup>5</sup> The Training and Experience examination is administered either online or in writing, and asks the applicant to answer multiple-choice questions about his or her level of training and/or experience performing certain tasks typically performed by those in this classification. Responses yield point values.

## 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, December 2, 2020, through May 31, 2021, the CalVet conducted 11 permanent withhold actions. The CRU reviewed those 11 permanent withhold actions, which are listed below:

| Exam Title                                    | Exam ID | Date List Eligibility Began | Date List Eligibility Ended | Reason Candidate Placed on Withhold         |
|---|---------|-----------------------------|-----------------------------|---|
| Accountant I (Specialist)                     | 0PB31   | 9/18/20                     | 1/29/21                     | Failed to Meet Minimum Qualifications (MQs) |
| Accountant I (Specialist)                     | 0PB31   | 1/3/21                      | 3/23/21                     | Failed to Meet MQs                          |
| Accountant I (Specialist)                     | 0PB31   | 11/11/20                    | 1/29/21                     | Failed to Meet MQs                          |
| Accountant I (Specialist)                     | 0PB31   | 12/28/20                    | 1/29/21                     | Failed to Meet MQs                          |
| Accountant I (Specialist)                     | 0PB31   | 11/5/20                     | 1/12/21                     | Failed to Meet MQs                          |
| Accountant I (Specialist)                     | 0PB31   | 8/26/20                     | 1/27/21                     | Failed to Meet MQs                          |
| Accounting Officer (Specialist)               | 0PBAG   | 11/25/20                    | 2/10/21                     | Failed to Meet MQs                          |
| Associate Governmental Program Analyst (AGPA) | 1PB04   | 10/8/20                     | 3/2/21                      | Failed to Meet MQs                          |

| Exam Title                        | Exam ID | Date List Eligibility Began | Date List Eligibility Ended | Reason Candidate Placed on Withhold |
|-----------------------------------|---------|-----------------------------|-----------------------------|-------------------------------------|
| Information Technology Technician | 7PB32   | 12/21/20                    | 3/12/21                     | Failed to Meet MQs                  |
| Labor Relations Specialist        | 1PB11   | 2/19/20                     | 11/5/20                     | Failed to Meet MQs                  |
| Personnel Specialist              | 1PB12   | 2/11/20                     | 1/13/21                     | Failed to Meet MQs                  |

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| <b>IN COMPLIANCE</b> | <b>FINDING NO. 2 PERMANENT WITHHOLD ACTIONS COMPLIED WITH CIVIL SERVICE LAWS AND BOARD RULES</b> |
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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).)

During the period under review, December 2, 2020, through May 31, 2021, the CalVet made 19 appointments. The CRU reviewed those 19 appointments, which are listed below:

| Classification                  | Appointment Type   | Tenure    | Time Base | No. of Appts. |
|---------------------------------|--------------------|-----------|-----------|---------------|
| Accounting Officer (Specialist) | Certification List | Permanent | Full Time | 1             |
| Accounting Technician           | Certification List | Permanent | Full Time | 1             |
| Associate Budget Analyst        | Certification List | Permanent | Full Time | 1             |
| AGPA                            | Certification List | Permanent | Full Time | 1             |

| Classification                          | Appointment Type         | Tenure    | Time Base | No. of Appts. |
|---|--------------------------|-----------|-----------|---------------|
| Information Technology Associate        | Certification List       | Permanent | Full Time | 1             |
| Information Technology Specialist I     | Certification List       | Permanent | Full Time | 1             |
| Information Technology Technician       | Certification List       | Permanent | Full Time | 1             |
| Office Technician (Typing)              | Certification List       | Permanent | Full Time | 1             |
| Personnel Specialist                    | Certification List       | Permanent | Full Time | 1             |
| Staff Services Analyst (General)        | Certification List       | Permanent | Full Time | 1             |
| Staff Services Manager I                | Certification List       | Permanent | Full Time | 1             |
| Information Technology Manager II       | Certification List       | Permanent | Full Time | 1             |
| AGPA                                    | Permissive Reinstatement | Permanent | Full Time | 1             |
| Business Service Assistant (Specialist) | Permissive Reinstatement | Permanent | Full Time | 1             |
| Personnel Specialist                    | Permissive Reinstatement | Permanent | Full Time | 1             |
| Staff Services Management Auditor       | Permissive Reinstatement | Permanent | Full Time | 1             |
| Staff Services Manager II (Supervisory) | Permissive Reinstatement | Permanent | Full Time | 1             |
| AGPA                                    | Transfer                 | Permanent | Full Time | 1             |
| Staff Services Manager I                | Transfer                 | Permanent | Full Time | 1             |

|                                   |  |
|-----------------------------------|--|
| <b>SEVERITY:<br/>VERY SERIOUS</b> | <b>FINDING No. 3 UNLAWFUL APPOINTMENT BY WAY OF TRANSFER</b> |
|-----------------------------------|--|

**Summary:** A candidate, who had been appointed to a limited-term Staff Services Manager I position at another state department, was not eligible to transfer to a permanent Staff Services Manager I position. The candidate's highest permanent list appointment was to an AGPA. However, as the candidate had previously been on the permanent Staff Services Manager I eligibility list in a reachable rank, this appointment will be permitted to stand.

**Criteria:** Article VII, Section 1, subdivision (b) of the California Constitution requires that permanent appointment and promotion shall be made under a general system based on merit ascertained by competitive examination. Therefore, a voluntary transfer may only be made if the employee has held a permanent appointment made as a result of a competitive examination in the same class or a class substantially the same as the class to which the person is transferring. (Cal. Code Regs., tit. 2, § 428)

A temporary or limited-term appointment in a classification shall not be used as a basis for transfer eligibility. (Cal. Code Regs., tit. 2, § 430)

**Severity:** Very Serious. An unlawful appointment provides the employee with an unfair and unearned appointment advantage over other employees whose appointments have been processed in compliance with the requirements of civil service law. Unlawful appointments which are not corrected also create appointment inconsistencies that jeopardize the equitable administration of the civil service merit system.

When an unlawful appointment is voided, the employee loses any tenure in the position, as well as seniority credits, eligibility to take promotional examinations, and compensation at the voided appointment level. If “bad faith” is determined on the part of the appointing power, civil or criminal action may be initiated. Disciplinary action may also be pursued against any officer or employee in a position of authority who directs any officer or employee to take action in violation of the appointment laws. If bad faith is determined on the part of the employee, the employee may be required to reimburse all compensation resulting from the unlawful appointment and may also be subject to disciplinary action. The CRU finds that the appointment was made in good faith, was not the fault of the appointed employee, and did not merit being voided since the employee served in a limited term position and previously held list eligibility.

**Cause:** This error can be attributed to human error and misapplication of the State’s transfer rules and procedures.

**Corrective Action:** Within 90 days of the date of this report, the CalVet must submit to the SPB a written corrective action response which addresses the corrections the department will implement to demonstrate conformity with California Code of Regulations, title 2, sections 428 and 430. Copies of relevant documentation demonstrating that the corrective action has been implemented must be included with the corrective action response.

Unlawful Appointment Investigations

Departments that entered into an Unlawful Appointment Investigation Delegation Agreement between their executive management and the CalHR have the authority to manage their own unlawful appointment investigations. The Delegation Agreement defines the reporting requirements, responsibilities, obligations, and expectations of the department in this process. The delegation agreement mandates that departments maintain up-to-date records on each unlawful appointment investigation including, at a minimum: the specific facts surrounding the appointment in question, a description of the circumstances which may have resulted in the unlawful appointment, copies of relevant appointment documents, and any documentation which may demonstrate that the agency and employee acted in good faith when the appointment was offered and accepted. Departments must also maintain a tracking system to monitor its unlawful appointments.

During the period under review, December 2, 2020, through May 31, 2021, the CalVet conducted one unlawful appointment investigation. The CRU reviewed that one unlawful appointment investigation, which is listed below:

| Classification                          | Date Investigation Initiated | Date Investigation Concluded |
|---|------------------------------|------------------------------|
| Hospital General Services Administrator | 07/09/21                     | 8/21/21                      |

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| <b>IN COMPLIANCE</b> | <b>FINDING NO. 4 UNLAWFUL APPOINTMENT INVESTIGATION COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES</b> |
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The CalVet’s unlawful appointment investigation were found to comply with the rules set forth in the signed Delegation Agreement with the CalHR.

## **Equal Employment Opportunity**

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

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

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| <b>IN COMPLIANCE</b> | <b>FINDING NO. 5 EQUAL EMPLOYMENT OPPORTUNITY PROGRAM<br/>COMPLIED WITH ALL CIVIL SERVICE LAWS AND BOARD<br/>RULES</b> |
|----------------------|--|

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 CalVet'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 CalVet's Executive Director. The CalVet 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, December 2, 2020, through May 31, 2021, the CalVet had 92 PSC’s that were in effect. The CRU reviewed 20 of those, which are listed below:

| Vendor                                      | Services                                   | Contract Date(s)  | Contract Amount | Justification Identified? | Union Notification? |
|---|--|-------------------|-----------------|---------------------------|---------------------|
| All Floors 4 Less                           | Flooring replacement and repair            | 4/29/21 – 6/30/21 | \$8,412         | Yes                       | Yes                 |
| Asereth, Inc.                               | Temporary/relief speech-language pathology | 1/1/21 – 12/31/23 | \$67,500        | Yes                       | Yes                 |
| Balboa Nephrology Medical Group, Inc.       | Nephrology services                        | 7/1/21 – 6/30/24  | \$11,997        | Yes                       | Yes                 |
| Blue House Partners LLC                     | Forklift maintenance                       | 7/1/18 – 6/30/21  | \$8,848         | Yes                       | Yes                 |
| California Assisted Living Association      | Membership services                        | 1/1/21 – 12/31/23 | \$50,678        | Yes                       | Yes                 |
| California Association of Health Facilities | Membership services                        | 1/1/21 – 12/31/21 | \$7,700         | Yes                       | Yes                 |



| Vendor                                      | Services                                      | Contract Date(s)  | Contract Amount | Justification Identified? | Union Notification? |
|---|---|-------------------|-----------------|---------------------------|---------------------|
| Collin Smith, DPM (Seaside Foot and Ankle)  | Podiatry services                             | 2/1/21 – 6/30/21  | \$5,000         | Yes                       | Yes                 |
| E & E Industries                            | Forklift and electric pallet jack maintenance | 7/1/21 – 6/30/24  | \$8,848         | Yes                       | Yes                 |
| Fire Pro LLC                                | Fire sprinkler replacement                    | 12/1/20 – 6/30/21 | \$55,890        | Yes                       | Yes                 |
| Global Power Group, Inc.                    | Generator maintenance, testing, and repair    | 7/1/21 – 6/30/24  | \$45,580        | Yes                       | Yes                 |
| Holley's Four Seasons Pest Solutions        | Pest control                                  | 7/1/21 – 6/30/24  | \$113,030       | Yes                       | Yes                 |
| Holley's Four Seasons Pest Solutions        | Pest and weed control                         | 7/1/21 – 6/30/24  | \$15,975        | Yes                       | Yes                 |
| Lake Balboa Professional Laundry & Cleaners | Laundry services                              | 1/1/21 – 12/31/23 | \$159,356       | Yes                       | Yes                 |
| Lupe Rangel                                 | Beauty and barber shop services               | 9/1/20 – 5/31/21  | \$9,999         | Yes                       | Yes                 |
| Maxim Healthcare                            | Temporary/relief nursing services             | 3/1/21 – 2/28/22  | \$1,800,000     | Yes                       | Yes                 |
| My Choice Health Services, Inc.             | Pharmacy regimen and consulting services      | 10/1/20 – 9/30/23 | \$89,925        | Yes                       | No                  |
| Remdox Inc                                  | Air, water, ice, and dust testing services    | 1/1/21 – 12/31/23 | \$163,164       | Yes                       | Yes                 |
| ShareStaff, LLC                             | Nursing and registry staffing                 | 10/1/20 – 9/30/23 | \$1,789,659     | Yes                       | No                  |

| Vendor                           | Services                | Contract Date(s) | Contract Amount | Justification Identified? | Union Notification? |
|----------------------------------|-------------------------|------------------|-----------------|---------------------------|---------------------|
| Southern California Sleep Clinic | Sleep medicine services | 7/1/21 – 6/30/24 | \$3,000         | Yes                       | Yes                 |
| Pacific Endocrinology            | Endocrinology services  | 7/1/21 – 6/30/24 | \$3,000         | Yes                       | Yes                 |

|                              |  |
|------------------------------|--|
| <b>SEVERITY:<br/>SERIOUS</b> | <b>FINDING NO. 6 UNIONS WERE NOT NOTIFIED OF PERSONAL SERVICES CONTRACTS</b> |
|------------------------------|--|

**Summary:** The CalVet did not notify unions prior to entering into 2 of the 20 PSC’s reviewed. This is the second consecutive time this has been a finding for the CalVet.

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

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

**Cause:** These errors can be attributed to human error even though the CalVet has an established written procedure for notifying unions before PSC’s are executed.

**Corrective Action:** It is the contracting department’s responsibility to identify and notify any unions whose members could potentially perform the type of work to be contracted prior to executing a PSC. The PSC’s reviewed during this compliance review involved (include facilities repair and maintenance, speech pathology, lab work, membership, podiatry, laundry, beauty and barbering, nursing and registry staffing, pharmacy regimen and consulting services, functions which various rank-and-file civil service classifications perform. Within 90 days of the date of this report, the CalVet must submit to the SPB a written corrective action response which addresses the corrections the department will implement to ensure conformity with the requirements of Government Code section 19132. Copies of relevant

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

### **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.)

Additionally, 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 CalVet’s mandated training program that was in effect during the compliance review period, May 31, 2019, through May 31, 2021.

|                                   |  |
|-----------------------------------|--|
| <b>SEVERITY:<br/>VERY SERIOUS</b> | <b>FINDING NO. 7 ETHICS TRAINING WAS NOT PROVIDED FOR ALL FILERS</b> |
|-----------------------------------|--|

**Summary:** The CalVet did not provide ethics training to 161 of 274 existing filers. In addition, the CalVet did not provide ethics training to 131 of 156 new filers within six months of their appointment.

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

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

**Cause:** These errors can be attributed to the CalVet’s online Learning Management System (LMS) experiencing a technological glitch which was not discovered for several months, resulting in mandatory training not being assigned to both existing and new filers and/or employees not completing their mandated training timely despite multiple notifications.

**Corrective Action:** Within 90 days of this report, the CalVet must submit to the SPB a written correction 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.

|                                   |   |
|-----------------------------------|---|
| <b>SEVERITY:<br/>VERY SERIOUS</b> | <b>FINDING NO. 8 SEXUAL HARASSMENT PREVENTION TRAINING WAS NOT PROVIDED FOR ALL SUPERVISORS</b> |
|-----------------------------------|---|

**Summary:** The CalVet did not provide sexual harassment prevention training to 17 of 135 new supervisors within 6 months of their appointment. However, the CalVet did provide sexual harassment prevention training to all 285 existing supervisors on a 2-year basis.

**Criteria:** New supervisors 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 supervisors 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:** These errors can be attributed to the CalVet’s online LMS experiencing a technological glitch which was not discovered for several months in which mandatory training was not assigned to new supervisors and/or employees not completing their mandated training timely despite multiple notifications.

**Corrective Action:** Within 90 days of the date of this report, the CalVet must submit to the SPB a written corrective action response which addresses the corrections the department will implement to ensure that all employees are provided sexual harassment prevention training in accordance with Government Code section 12950.1. 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 rate<sup>6</sup> 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, December 2, 2021, through March 31, 2021, the CalVet made 19 appointments. The CRU reviewed 17 of those appointments to determine if the CalVet applied salary regulations accurately and correctly processed employees’ compensation, which are listed below:

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<sup>6</sup> “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) |
|---|--------------------------|-----------|-----------|-----------------------|
| Accounting Technician                   | Certification List       | Permanent | Full Time | \$3,087               |
| Associate Budget Analyst                | Certification List       | Permanent | Full Time | \$5,149               |
| AGPA                                    | Certification List       | Permanent | Full Time | \$5,149               |
| Information Technology Associate        | Certification List       | Permanent | Full Time | \$5,961               |
| Information Technology Manager II       | Certification List       | Permanent | Full Time | \$10,949              |
| Information Technology Technician       | Certification List       | Permanent | Full Time | \$3,530               |
| Office Technician (Typing)              | Certification List       | Permanent | Full Time | \$3,144               |
| Personnel Specialist                    | Certification List       | Permanent | Full Time | \$4,132               |
| Staff Services Analyst                  | Certification List       | Permanent | Full Time | \$4,281               |
| Staff Services Manager I                | Certification List       | Permanent | Full Time | \$6,768               |
| AGPA                                    | Permissive Reinstatement | Permanent | Full Time | \$5,676               |
| AGPA                                    | Permissive Reinstatement | Permanent | Full Time | \$6,446               |
| Business Service Assistant (Specialist) | Permissive Reinstatement | Permanent | Full Time | \$4,132               |
| Personnel Specialist                    | Permissive Reinstatement | Permanent | Full Time | \$5,277               |
| Staff Services Management Auditor       | Permissive Reinstatement | Permanent | Full Time | \$4,721               |
| Staff Services Manager I                | Transfer                 | Permanent | Full Time | \$7,106               |
| Staff Services Manager II (Supervisory) | Transfer                 | Permanent | Full Time | \$8,352               |

|                      |   |
|----------------------|---|
| <b>IN COMPLIANCE</b> | <b>FINDING NO. 9 SALARY DETERMINATIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES</b> |
|----------------------|---|

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

## Arduous Pay

Effective July 1, 1994, appointing authorities were provided the discretion to provide additional compensation for employees exempt from the Fair Labor Standards Act (FLSA) who perform arduous work that exceeds the normal demands of state service employment. (Human Resources Manual Section 1702.) The work must be extraordinarily demanding, time consuming, and significantly exceed employees' normal workweek. The employee cannot be entitled to receive any other sort of compensation such as overtime. Eligible employees are FLSA-exempt employees who do not receive compensation in recognition of hours worked in excess of 40 hours per week. The duration of the arduous period must be at least two weeks or more. (*Ibid.*)

Excluded and represented employees who are FLSA-exempt and assigned to Work Week Group E are eligible to receive up to four (4) months of pay per fiscal year, or per event for emergencies, if the following conditions are met:<sup>7</sup>

- There is a nonnegotiable deadline or extreme urgency;
- Work exceeds normal work hours and normal productivity;
- Work is unavoidable;
- Work involves extremely heavy workload;
- Employee is eligible for no other compensation, and
- The circumstances that support this pay differential are documented.

Departments have delegated authority to approve arduous pay for excluded employees who are FLSA-exempt, but CalHR approval is required for any arduous pay issued to represented employees.

Although departments have delegated authority to approve arduous pay,<sup>8</sup> they are required to fill out CalHR Form 777, documenting the circumstances, assessment and rationale behind all arduous pay approvals. A new Form 777 should be filled out for every employee receiving the pay differential, every time an employee is approved to receive a new pay differential, and every time an employee wants to extend their arduous pay. Extensions are only granted in rare circumstances. Departments must keep the Form 777 on file and retain the form for five years after the approval date. (*Ibid.*)

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<sup>7</sup> Applicable Memorandum of Understandings or Bargaining Unit Agreements detailing other specific criteria.

<sup>8</sup> Pay Letter 94-32 established Pay Differential 62 regarding arduous pay for Bargaining Units 1, 7, 9, 17, 19, and 21, and Excluded employees.

During the period under review, December 2, 2020, through May 31, 2021, the CalVet issued arduous pay to one employee. The CRU reviewed the one arduous pay authorization, listed below, to ensure compliance with applicable CalHR policies and guidelines:

| Classification             | Bargaining Unit | Work Week Group | Time Base | Total Compensation | Number of Months Received |
|----------------------------|-----------------|-----------------|-----------|--------------------|---------------------------|
| Staff Services Manager III | M01             | E               | Full Time | \$3,600            | 3                         |

|                      |                       |   |
|----------------------|-----------------------|---|
| <b>IN COMPLIANCE</b> | <b>FINDING NO. 10</b> | <b>ARDUOUS PAY AUTHORIZATION COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES</b> |
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The CRU found that the arduous pay authorization that the CalVet made during the compliance review period satisfied civil service laws, Board rules and CalHR policies and guidelines.

### Bilingual Pay

A certified bilingual position is a position where the incumbent uses bilingual skills on a continuous basis and averages 10 percent or more of the total time worked. According to the Pay Differential 14, the 10 percent time standard is calculated based on the time spent conversing, interpreting, or transcribing in a second language and time spent on closely related activities performed directly in conjunction with the specific bilingual transactions.

Typically, the department must review the position duty statement to confirm the percentage of time performing bilingual skills and verify the monthly pay differential is granted to a certified bilingual employee in a designated bilingual position. The position, not the employee, receives the bilingual designation and the department must verify that the incumbent successfully participated in an Oral Fluency Examination prior to issuing the additional pay.

During the period under review, December 1, 2020, through May 31, 2021, the CalVet issued bilingual pay to one employees. The CRU reviewed the one bilingual pay authorization, listed below, to ensure compliance with applicable CalHR policies and guidelines.



| Classification | Bargaining Unit | Time Base | No. of Appts. |
|----------------|-----------------|-----------|---------------|
| AGPA           | R01             | Full Time | 1             |

|                      |                           |   |
|----------------------|---------------------------|---|
| <b>IN COMPLIANCE</b> | <b>FINDING NO.<br/>11</b> | <b>BILINGUAL PAY AUTHORIZATION COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES</b> |
|----------------------|---------------------------|---|

The CRU found that the bilingual pay authorized to the employee during the compliance review period satisfied civil service laws, Board rules and CalHR policies and guidelines.

### Pay Differentials

A pay differential is special additional pay recognizing unusual competencies, circumstances, or working conditions applying to some or all incumbents in select classes. A pay differential may be appropriate in those instances when a subgroup of positions within the overall job class might have unusual circumstances, competencies, or working conditions that distinguish these positions from other positions in the same class. Typically, pay differentials are based on qualifying pay criteria such as: work locations or shift assignments; professional or educational certification; temporary responsibilities; special licenses, skills or training; performance-based pay; incentive-based pay; or, recruitment and retention. (Classification and Pay Manual Section 230.)

California State Civil Service Pay Scales Section 14 describes the qualifying pay criteria for the majority of pay differentials. However, some of the alternate range criteria in the pay scales function as pay differentials. Generally, departments issuing pay differentials should, in order to justify the additional pay, document the following: the effective date of the pay differential, the collective bargaining unit identifier, the classification applicable to the salary rate and conditions along with the specific criteria, and any relevant documentation to verify the employee meets the criteria.

During the period under review, December 2, 2020, through May 31, 2021, the CalVet issued a pay differential<sup>9</sup> to one employee. The CRU reviewed that one pay differential, listed below, to ensure compliance with applicable CalHR policies and guidelines.

| Classification   | Pay Differential | Monthly Amount |
|------------------|------------------|----------------|
| Senior Architect | 433              | 3%             |

<sup>9</sup> For the purposes of CRU's review, only monthly pay differentials were selected for review at this time.

|                      |                           |  |
|----------------------|---------------------------|--|
| <b>IN COMPLIANCE</b> | <b>FINDING NO.<br/>12</b> | <b>PAY DIFFERENTIAL AUTHORIZATION COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES</b> |
|----------------------|---------------------------|--|

The CRU found no deficiencies in the pay differential that the CalVet authorized during the compliance review period. Pay differentials were issued correctly in recognition of unusual competencies, circumstances, or working conditions in accordance with applicable rules and guidelines.

Out-of-Class Assignments and Pay

For excluded<sup>10</sup> 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, December 2, 2020, through May 31, 2021, the CalVet issued OOC pay to seven employees. The CRU reviewed those seven OOC assignments to ensure compliance with applicable MOU provisions, salary regulations, and CalHR policies and guidelines. These are listed below:

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<sup>10</sup> “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        |
|-----------------------------|-----------------|---|-------------------|
| AGPA                        | R01             | Staff Services Manager I                | 2/22/21 – 5/28/21 |
| AGPA                        | R01             | Staff Services Manager I                | 1/18/21 – 5/17/21 |
| AGPA                        | R01             | Staff Services Manager I                | 10/26/20 – 1/1/21 |
| Associate Personnel Analyst | R01             | Staff Services Manager I                | 2/22/21 – 6/28/21 |
| Associate Personnel Analyst | R01             | Staff Services Manager I                | 1/25/21 – 3/21/21 |
| Personnel Specialist        | R01             | Personnel Supervisor I                  | 1/18/21 – 5/17/21 |
| Staff Services Manager I    | S01             | Staff Services Manager II (Supervisory) | 1/4/21 – 3/31/21  |

|                                   |                           |  |
|-----------------------------------|---------------------------|--|
| <b>SEVERITY:<br/>VERY SERIOUS</b> | <b>FINDING NO.<br/>13</b> | <b>INCORRECT APPLICATION OF OUT-OF-CLASS PAY</b> |
|-----------------------------------|---------------------------|--|

**Summary:** The CRU found seven errors in the CalVet's OOC payments. This is a repeat finding, as noted below. This is the second consecutive time this has been a finding for the CalVet.

| Classification              | Out-of-Class Classification             | No. of Positions | Description of Findings  | Criteria             |
|-----------------------------|---|------------------|--|----------------------|
| AGPA                        | Staff Services Manager I                | 3                | OOC pay was not reduced for PLP 2020 resulting in the employee being overpaid. | Pay Differential 91  |
| Associate Personnel Analyst | Staff Services Manager I                | 2                | OOC pay was not reduced for PLP 2020 resulting in the employee being overpaid. | Pay Differential 91  |
| Personnel Specialist        | Personnel Supervisor I                  | 1                | OOC pay was not reduced for PLP 2020 resulting in the employee being overpaid. | Pay Differential 91  |
| Staff Services Manager I    | Staff Services Manager II (Supervisory) | 1                | OOC pay was not reduced for PLP 2020 resulting in the employee being overpaid. | Pay Differential 101 |

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

Employees may be compensated for performing duties of a higher classification provided that: the assignment is made in advance in writing and the employee is given a copy of the assignment; and the duties performed by the employee are not described in a training and development assignment or by the specification for the class to which the excluded employee is appointed and, are fully consistent with the types of jobs described in the specification for the higher classification; and the employee does not perform such duties for more than 120 days in a fiscal year. (Cal. Code Regs., tit. 2, § 599.810, subd. (b)(1)(3)(4).)

**Severity:** Very Serious. The CalVet failed to comply with the state civil service pay plan by incorrectly applying compensation laws and rules in accordance with CalHR's policies and guidelines. This results in civil service employees receiving incorrect and/or inappropriate compensation.

**Cause:** These errors error can be attributed to the high turnover in the payroll area of HR, newer staff and supervisors resulting in a misapplication of out-of-class pay.

**Corrective Action:** The CalVet provides it has taken steps to achieve compliance in this area. Within 90 days of the date of this report, the CalVet must submit to the SPB written documentation which demonstrates the corrections the department has implemented to ensure conformity with California Code of Regulations, title 2, section 599.810 and Pay Differential 91.

## 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 in order 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 days<sup>11</sup> worked and paid absences<sup>12</sup>, 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-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).)

Generally, permanent intermittent employees may work up to 1500 hours in any calendar year. (Applicable Bargaining Unit Agreements.) However, Bargaining Unit 6 employees may work up to 2000 hours in any calendar year.

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<sup>11</sup> For example, two hours or ten hours count as one day.

<sup>12</sup> For example, vacation, sick leave, compensating time off, etc.

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 CalVet had 85 positive paid employees whose hours were tracked. The CRU reviewed 14 of those positive paid appointments to ensure compliance with applicable laws, regulations, policies and guidelines, which are listed below:

| Classification                   | Tenure            | Time Frame        | Hours Worked |
|----------------------------------|-------------------|-------------------|--------------|
| Catholic Chaplain                | Permanent         | 1/1/20 – 12/31/20 | 818          |
| Certified Nursing Assistant      | Permanent         | 1/1/20 – 12/31/20 | 727          |
| Certified Nursing Assistant      | Permanent         | 1/1/20 – 12/31/20 | 824          |
| Dentist                          | Permanent         | 1/1/20 – 12/31/20 | 824          |
| Dentist                          | Permanent         | 1/1/20 – 12/31/20 | 1,418        |
| Dentist                          | Permanent         | 1/1/20 – 12/31/20 | 491          |
| Registered Nurse                 | Permanent         | 1/1/20 – 12/31/20 | 1,098.25     |
| AGPA                             | Retired Annuitant | 7/1/19 – 6/30/20  | 891          |
| Attorney IV                      | Retired Annuitant | 7/1/19 – 6/30/20  | 816          |
| Certified Nursing Assistant      | Retired Annuitant | 7/1/19 – 6/30/20  | 840.5        |
| Pharmacist I                     | Retired Annuitant | 7/1/19 – 6/30/20  | 720          |
| Pharmacist I                     | Retired Annuitant | 7/1/19 – 6/30/20  | 853          |
| Staff Services Analyst (General) | Retired Annuitant | 7/1/19 – 6/30/20  | 1,074.75     |
| Student Assistant                | Temporary         | 10/1/20 – 9/30/21 | 315          |

|                      |                       |   |
|----------------------|-----------------------|---|
| <b>IN COMPLIANCE</b> | <b>FINDING NO. 14</b> | <b>POSITIVE PAID EMPLOYEES' TRACKED HOURS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES</b> |
|----------------------|-----------------------|---|

The CRU found no deficiencies in the positive paid employees reviewed during the compliance review period. The CalVet 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, March 1, 2020, through March 1, 2021, the CalVet placed 1,023 employees on ATO. The CRU reviewed 11 of these ATO appointments to ensure compliance with applicable laws, regulations, and CalHR policy and guidelines, which are listed below.

| Classification                  | Time Frame           | Amount of Time on ATO |
|---------------------------------|----------------------|-----------------------|
| AGPA                            | 3/23/20              | 1 day                 |
| Automobile Equipment Operator I | 2/19/21 – 3/1/21     | 7 days                |
| Custodian I                     | 4/21/20 – 4/29/20    | 7 days                |
| Custodian I                     | 10/9/2020 – 10/19/20 | 56 hours              |
| Custodian I                     | 7/31/20 – 8/7/20     | 6 days                |
| Food Services Technician I      | 2/25/20              | 1 day                 |
| Food Services Technician I      | 11/11/20 – 11/21/20  | 80 hours              |
| Food Services Technician II     | 2/26/20 – 3/5/20     | 7 days                |
| Maintenance Mechanic            | 9/1/20 – 9/1/20      | 1 day                 |
| Office Technician (Typing)      | 5/7/2020 – 5/8/20    | 2 days                |
| Staff Services Manager I        | 10/5/20 – 10/8/20    | 4 days                |

|                      |                           |   |
|----------------------|---------------------------|---|
| <b>IN COMPLIANCE</b> | <b>FINDING NO.<br/>15</b> | <b>ADMINISTRATIVE TIME OFF AUTHORIZATIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES</b> |
|----------------------|---------------------------|---|

The CRU found no deficiencies in the ATO transactions reviewed during the compliance review period. The CalVet 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, December 2, 2020, through March 1, 2021, the CalVet reported 323 units comprised of 2,981 active employees. The pay periods and timesheets reviewed by the CRU are summarized below:

| Timesheet Leave Period | Unit Reviewed | Number of Employees | Number of Timesheets Reviewed | Number of Missing Timesheets |
|------------------------|---------------|---------------------|-------------------------------|------------------------------|
| January 2021           | 190           | 11                  | 3                             | 8                            |
| January 2021           | 222           | 28                  | 24                            | 4                            |
| January 2021           | 331           | 22                  | 18                            | 4                            |
| January 2021           | 112           | 17                  | 17                            | 0                            |
| February 2021          | 256           | 2                   | 2                             | 0                            |
| February 2021          | 100           | 34                  | 34                            | 0                            |
| February 2021          | 402           | 5                   | 5                             | 0                            |
| February 2021          | 440           | 42                  | 42                            | 0                            |

|                              |                           |   |
|------------------------------|---------------------------|---|
| <b>SEVERITY:<br/>SERIOUS</b> | <b>FINDING NO.<br/>16</b> | <b>DEPARTMENT DID NOT RETAIN EMPLOYEE TIME AND ATTENDANCE RECORDS</b> |
|------------------------------|---------------------------|---|

**Summary:** The CalVet did not retain 16 of 62 timesheets from the January 2021 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.) Such records shall be kept in the form and manner prescribed by the Department of Finance in connection with its powers to devise, install and supervise a modern and complete accounting system for state agencies. (*Ibid.*)

**Severity:** Serious. The CalVet failed to retain employee time and attendance records for each employee. Therefore, the department was unable to reconcile timesheets against their leave accounting system at the conclusion of the pay period, which could have affected employee leave accruals and compensation.

**Cause:** These errors can be attributed to misplaced timesheets or failure to submit timesheets by the employee, supervisor and/or program staff.

**Corrective Action:** The CalVet provides it has taken steps to achieve compliance in this area. Within 90 days of the date of this report, the CalVet must submit to the SPB written documentation which demonstrates the corrections the department has implemented to ensure all timesheets are accounted for and processed in conformity with California Code of Regulations, title 2, section 599.665.

|                              |                           |   |
|------------------------------|---------------------------|---|
| <b>SEVERITY:<br/>SERIOUS</b> | <b>FINDING NO.<br/>17</b> | <b>DEPARTMENT HAS NOT IMPLEMENTED A MONTHLY<br/>INTERNAL AUDIT PROCESS TO VERIFY ALL LEAVE INPUT<br/>IS KEYED ACCURATELY AND TIMELY</b> |
|------------------------------|---------------------------|---|

**Summary:** The CalVet does not have 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.

**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 internal audit function was not transferred when payroll and benefits was centralized to headquarters from the Veterans Home.

**Corrective Action:** Within 90 days of the date of this report, the CalVet must submit to the SPB a written corrective action response which addresses the corrections the department will implement to ensure that its 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 recruit, hire and assign all employees on the basis of merit and fitness in accordance with civil service statutes, rules and regulations. (Human Resources Manual Section 1204.) Nepotism is expressly prohibited in the state workplace because it is antithetical to California's merit based civil service. (*Ibid.*) Nepotism is defined as the practice of an employee using his or her influence or power to aid or hinder another in the employment setting because of a personal relationship. (*Ibid.*) Personal relationships for this purpose include association by blood, adoption, marriage and/or cohabitation. (*Ibid.*) All department nepotism policies should emphasize that nepotism is antithetical to a merit-based personnel system and that the department is committed to the state policy of recruiting, hiring and assigning employees on the basis of merit. (*Ibid.*)

|                      |                           |  |
|----------------------|---------------------------|--|
| <b>IN COMPLIANCE</b> | <b>FINDING NO.<br/>18</b> | <b>NEPOTISM POLICY COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES</b> |
|----------------------|---------------------------|--|

The CRU verified that the policy was disseminated to all staff and emphasized the CalVet’s commitment to the state policy of recruiting, hiring and assigning employees on the basis of merit. Additionally, the CalVet’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 CalVet did not employ volunteers during the compliance review period.

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|----------------------|---------------------------|--|
| <b>IN COMPLIANCE</b> | <b>FINDING NO.<br/>19</b> | <b>WORKERS’ COMPENSATION PROCESS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES</b> |
|----------------------|---------------------------|--|

The CRU verified that the CalVet 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 CalVet 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 50 permanent CalVet employees to ensure that the department was conducting performance appraisals on an annual basis in accordance with applicable laws, regulations, policies and guidelines.

|                                    |                                 |  |
|------------------------------------|---------------------------------|--|
| <b>SEVERITY:</b><br><b>SERIOUS</b> | <b>FINDING NO.</b><br><b>20</b> | <b>PERFORMANCE APPRAISALS WERE NOT PROVIDED TO<br/>ALL EMPLOYEES</b> |
|------------------------------------|---------------------------------|--|

**Summary:** The CalVet did not provide annual performance appraisals to 27 of 50 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 of its employees are apprised of work performance issues and/or goals in a systematic manner.

**Cause:** The CalVet’s HR did not have a notification and tracking mechanism in place attributing to missing appraisals.

**Corrective Action:** Within 90 days of the date of this report, the CalVet 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 CalVet's response is attached as Attachment 1.

### **SPB REPLY**

Based upon the CalVet's written response, the CalVet 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

**DEPARTMENT OF VETERANS AFFAIRS**

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May 3, 2022

Suzanne M. Ambrose  
Executive Officer  
State Personnel Board (SPB)  
801 Capitol Mall  
Sacramento, CA 95818

Subject: Departmental Response - SPB Draft Compliance Review Report

Dear Ms. Ambrose:

The California Department of Veterans Affairs (CalVet) is in-receipt of the SPB Draft Compliance Review Report for CalVet. CalVet strives to be in full compliance with all personnel practices, including but not limited to practices subject to SPB review and appreciates the opportunity to provide a response to the findings outlined in the draft report.

CalVet has reviewed the draft report and provides the following response and causes to each finding identified:

**Finding No. 3: Unlawful Appointment By Way Of Transfer**

**Cause:** The error can be attributed to human error and misapplication of the State's transfer rules and procedures.

**Response:** CalVet will disseminate written guidance as a reminder to Human Resources (HR) staff. Specifically, the guidance will serve to provide resources on the State's laws and rules as they pertain to the State's transfer procedures, including rules associated with permitted transfers, limited-term to permanent transfers, as well as verifying a selected candidates prior civil service status, in order to avoid future errors.

**Finding No. 6: Unions Were Not Notified of Personal Services Contracts**

**Cause:** Although CalVet has an established written procedure, due to human error two Personal Services Contracts (PSC) reviewed as part of the compliance review were inadvertently executed without union notification.

**Response:** CalVet has an established written procedure by which unions are notified of a PSC prior to execution of the contract. On-going training/reminders are occurring with staff during monthly meetings to ensure this requirement is followed moving forward. Checklists/folders are also being reviewed to ensure documentation is included for this notification. When the solicitation is being processed, a new step in the procedure will be added to include supervisor's review to ensure compliance with the notification requirement.

**Finding No. 7: Ethics Training Was Not Provided For All Filers**

**Cause:** During the compliance review period, CalVet's online learning management system (LMS), Relias, experienced a technological glitch in which this mandatory training assigned to both existing and new filers was not assigned for completion. This glitch was not discovered for several months causing employees to be delinquent in receiving their training. Another contributing factor is employees not completing this training timely despite multiple notifications.

**Response:** CalVet's HR Training unit, Information Technology Division, and the Vendor are collaborating on resolving future technological issues that can be encountered within the Relias system. In addition, CalVet will implement a manual review to be done periodically in order to ensure assigned mandatory training for employees are completed timely. Employees are also being assigned the training within the online LMS and if employees fail to complete the training they also receive reminders along with upper management.

**Finding No. 8: Sexual Harassment Prevention Training Was Not Provided For All Supervisors.**

**Cause:** During the compliance review period, CalVet's online LMS, Relias, experienced a technological glitch in which mandatory training was not assigned to new supervisors for completion within six (6) months of their appointment. This glitch was not discovered for several months causing employees to be delinquent in receiving their training. Another contributing factor is employees not completing this training timely despite multiple notifications.

**Response:** CalVet's HR Training unit, Information Technology Division, and the Vendor are collaborating on resolving future technological issues that can be encountered within the Relias system. In addition, CalVet will implement a manual review to be done periodically in order to ensure assigned mandatory training for employees are completed timely. Employees are being assigned the training within the online LMS and if employees fail to complete they also receive reminders along with upper management.

**Finding No. 13: Incorrect Application Of Out-of-Class Pay.**

**Cause:** The error can be attributed to the high turnover in the payroll area of HR, newer staff and supervisors resulting in a misapplication of out-of-class (OOC) pay.

**Response:** CalVet acknowledges that the OOC pay was processed without reducing the salary by Personal Leave Program 2020. Since the audit, CalVet has trained all HR payroll staff and supervisors on how to calculate OOC pay. Moving forward, before payroll staff processes the OOC, it will be reviewed by HR supervisors to ensure that the OOC has been calculated correctly. Pay will also be audited by HR supervisors after keying, to ensure the correct pay issued.

**Finding No. 16: Department Did Not Retain Employee Time and Attendance Records.**

**Cause:** The error can be attributed to misplaced timesheets or failure to submit timesheets by the employee, supervisor and/or program staff.

**Response:** CalVet acknowledges 16 timesheets requested by SPB could not be provided as those timesheets were either lost or misplaced. Effective February 2, 2022, CalVet transitioned to both submitting and storing all timesheets in an electronic format. CalVet continues to work with our Information Technology Division team to enhance our processes for retention of employee timesheets. The new electronic storage format also has additional review processes to ensure collection and retention of timesheets.

**Finding No. 17: Department Has Not Implemented a Monthly Internal Audit Process To Verify All Leave Input Is Keyed Accurately And Timely.**

**Cause:** The internal audit function was not transferred when payroll and benefits was centralized to Headquarters from the Veterans Home.

**Response:** CalVet is currently assessing this task and developing an audit process to verify all leave is keyed accurately and timely. Once the process is solidified, a written policy and procedure will be established and staff will be trained on the new process.

**Finding No. 20: Performance Appraisals Were Not Provided To All Employees.**

**Cause:** CalVet HR did not have a notification and tracking mechanism in place attributing to missing appraisals.



Suzanne M. Ambrose

May 3, 2022

Page 4 of 4

**Response:** HR staff created and implemented a formal process to notify supervisors of all performance appraisals that are due, a tracking process and late filing notification/escalation process to ensure appraisals are provided to all employees.

CalVet would like to thank the SPB Compliance Review Unit (CRU) for the opportunity to review and respond to the findings. We look forward to working with the CRU team on the corrective action plans necessary to ensuring future compliance.

Should you have any questions or need additional information, please contact Trisha Smith, Assistant HR Director at [Trisha.Smith@calvet.ca.gov](mailto:Trisha.Smith@calvet.ca.gov) or (916) 653-2178.

Sincerely,



TINA RAMIREZ  
Assistant Deputy Secretary  
Human Resources Branch

Cc: Geraldine Gillen, Internal Audits Chief  
Sherri Gatinell, Deputy Secretary Administration  
Trisha Smith, Assistant HR Director