



# **COMPLIANCE REVIEW REPORT**

## **DEPARTMENT OF CHILD SUPPORT SERVICES**

Compliance Review Unit  
State Personnel Board  
July 22, 2021

# TABLE OF CONTENTS

INTRODUCTION .....	1
EXECUTIVE SUMMARY .....	2
BACKGROUND .....	3
SCOPE AND METHODOLOGY .....	4
FINDINGS AND RECOMMENDATIONS.....	6
EXAMINATIONS .....	6
APPOINTMENTS.....	8
EQUAL EMPLOYMENT OPPORTUNITY.....	13
PERSONAL SERVICES CONTRACTS .....	14
MANDATED TRAINING .....	16
COMPENSATION AND PAY .....	17
LEAVE .....	29
POLICY AND PROCESSES.....	37
DEPARTMENTAL RESPONSE.....	40
SPB REPLY .....	40

## **INTRODUCTION**

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

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

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

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

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

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

It should be noted that this report only contains findings from this hiring authority's compliance review. Other issues found in SPB appeals and special investigations as well as audit and review findings by other agencies such as the CalHR and the California State Auditor are reported elsewhere.

## **EXECUTIVE SUMMARY**

The CRU conducted a routine compliance review of the Department of Child Support Services (DCSS) 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
Appointments	Serious	Probationary Evaluations Were Not Timely
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
Mandated Training	In Compliance	Mandated Training Complied with Statutory Requirements
Compensation and Pay	Very Serious	Incorrect Application of Salary Determination Laws, Rules, and CalHR Policies and Guidelines for Appointment
Compensation and Pay	Very Serious	Alternate Range Movements Did Not Comply with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines

Area	Severity	Finding
Compensation and Pay	In Compliance	Hire Above Minimum Requests Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Compensation and Pay	In Compliance	Bilingual Pay Authorizations Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Compensation and Pay	Very Serious	Incorrect Authorization of Out-of-Class Pay
Compensation and Pay	In Compliance	Pay Differential Authorizations Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines
Leave	In Compliance	Positive Paid Employees' Tracked Hours Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Leave	Serious	Administrative Time Off Was Not Properly Documented
Leave	Very Serious	Incorrectly Posted Leave Usage and/or Leave Credit
Leave	Very Serious	Incorrect Application of State Service and Leave Transaction
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
Policy	In Compliance	Performance Appraisal Policy and Processes Complied with Civil Service Laws and Regulations and CalHR Policies and Guidelines

## **BACKGROUND**

The mission of the DCSS is to promote parental responsibility to enhance the well-being of children by providing child support services to establish parentage and collect child support. California's child support program works with parents and guardians to ensure children and families receive court-ordered financial and medical support. Child support

services are available to the general public through a network of 49 county and regional child support agencies that serve approximately 1.4 million children and families. Some of the services provided include locating a parent; establishing paternity; establishing, modifying and enforcing a court order for child support; and establishing, modifying and enforcing an order for health coverage.

## **SCOPE AND METHODOLOGY**

The scope of the compliance review was limited to reviewing the DCSS's examinations, appointments, EEO program, PSC's, mandated training, compensation and pay, leave, and policy and processes<sup>1</sup>. The primary objective of the review was to determine if the DCSS'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 DCSS'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 DCSS provided, which included examination plans, examination bulletins, job analyses, and scoring results. The CRU also reviewed the DCSS's permanent withhold actions documentation, including Withhold Determination Worksheets, State applications (STD 678), class specifications, and withhold letters.

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

The DCSS's appointments were also selected for review to ensure the DCSS applied salary regulations accurately and correctly processed employees' compensation and pay. The CRU examined the documentation that the DCSS provided, which included employees' employment and pay history and any other relevant documentation such as

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

certifications, degrees, and/or the appointee's application. Additionally, the CRU reviewed specific documentation for the following personnel functions related to compensation and pay: hire above minimum (HAM) requests, bilingual pay, monthly pay differentials, alternate range movements, and out-of-class assignments. During the compliance review period, the DCSS did not issue or authorize red circle rate requests or arduous pay.

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

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

The CRU reviewed the DCSS'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 DCSS's units in order to ensure they maintained accurate and timely leave accounting records. Part of this review also examined a cross-section of the DCSS's employees' employment and pay history, state service records, and leave accrual histories to ensure employees with non-qualifying pay periods did not receive vacation/sick leave and/or annual leave accruals or state service credit. Additionally, the CRU reviewed a selection of the DCSS employees who used Administrative Time Off (ATO) in order to ensure that ATO was appropriately administered. Further, the CRU reviewed a selection of DCSS positive paid employees whose hours are tracked during the compliance review period in order to ensure that they adhered to procedural requirements.

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<sup>2</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 DCSS's policies and processes concerning nepotism, workers' compensation, and performance appraisals. The review was limited to whether the DCSS's policies and processes adhered to procedural requirements.

On July 7, 2021, an exit conference was held with the DCSS to explain and discuss the CRU's initial findings and recommendations. The CRU received and carefully reviewed the DCSS's written response on July 9, 2021, 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, April 1, 2020, through December 31, 2020, the DCSS conducted four examinations. The CRU reviewed all examinations, which are listed below:

Classification	Exam Type	Exam Components	Final File Date	No. of Apps
Career Executive Assignment (CEA) A, Assistant Director, Office of Legislative Affairs	CEA	Statement of Qualifications (SOQ) <sup>3</sup>	5/16/2020	9
CEA A, Assistant Director, Office of Strategic Planning	CEA	SOQ	3/19/2020	14
CEA B, Deputy Director, Child Support Services Division	CEA	SOQ	10/21/2020	16
CEA B, Deputy Director, Operations Division	CEA	SOQ	2/21/2020	12

<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 four open examinations which the DCSS administered in order to create eligible lists from which to make appointments. The DCSS published and distributed examination bulletins containing the required information for all examinations. Applications received by the DCSS 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 DCSS conducted during the compliance review period.

#### Permanent Withhold Actions

Departments are granted statutory authority to permit withhold of eligibles from lists based on specified criteria. (Gov. Code, § 18935.) Permanent appointments and promotions within the state civil service system shall be merit-based, ascertained by a competitive examination process. (Cal. Const., art. VII, § 1, subd. (b).) If a candidate for appointment

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<sup>3</sup> In a Statement of Qualifications examination, applicants submit a written summary of their qualifications and experience related to a published list of desired qualifications. Raters, typically subject matter experts, evaluate the responses according to a predetermined rating scale designed to assess their ability to perform in a job classification, assign scores and rank the competitors in a list.

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, April 1, 2020, through December 31, 2020, the DCSS conducted one permanent withhold action. The CRU reviewed the permanent withhold action, which is listed below:

Exam Title	Exam ID	Date List Eligibility Began	Date List Eligibility Ended	Reason Candidate Placed on Withhold
Information Officer I (Specialist)	1PB3101	1/15/2020	1/15/2021	Failed to Meet Minimum Qualifications

<b>IN COMPLIANCE</b>	<b>FINDING No. 2</b>	<b>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 action 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, March 1, 2020, through December 1, 2020, the DCSS made 77 appointments. The CRU reviewed 27 of those appointments, which are listed below:

Classification	Appointment Type	Tenure	Time Base	No. of Appts.
Associate Governmental Program Analyst	Certification List	Permanent	Full Time	1
Associate Management Auditor	Certification List	Permanent	Full Time	1
Attorney III	Certification List	Permanent	Full Time	1
Information Officer I (Specialist)	Certification List	Permanent	Full Time	1
Information Officer II	Certification List	Permanent	Full Time	1
Information Technology Specialist I	Certification List	Permanent	Full Time	2
Information Technology Specialist II	Certification List	Permanent	Full Time	1
Management Services Technician	Certification List	Permanent	Full Time	2
Office Assistant (General)	Certification List	Permanent	Full Time	1
Research Data Specialist I	Certification List	Permanent	Full Time	1
Research Data Specialist II	Certification List	Permanent	Full Time	1
Staff Services Analyst (General)	Certification List	Permanent	Full Time	1
Staff Services Management Auditor	Certification List	Permanent	Full Time	1
Staff Services Manager I	Certification List	Permanent	Full Time	2
Staff Services Manager II (Supervisory)	Certification List	Permanent	Full Time	1
Associate Governmental Program Analyst	Training & Development	Permanent	Full Time	1
Staff Services Manager II (Supervisory)	Training & Development	Permanent	Full Time	1

Classification	Appointment Type	Tenure	Time Base	No. of Appts.
Associate Governmental Program Analyst	Transfer	Permanent	Full Time	2
Associate Personnel Analyst	Transfer	Permanent	Full Time	2
Information Technology Specialist I	Transfer	Permanent	Full Time	1
Personnel Specialist	Transfer	Permanent	Full Time	1
Staff Services Manager I	Transfer	Permanent	Full Time	1

<b>SEVERITY:</b> <b>VERY SERIOUS</b>	<b>FINDING No. 3    UNLAWFUL APPOINTMENT</b>
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**Summary:** The DCSS made one appointment utilizing the certification list for the Attorney III. The hired candidate did not meet minimum qualifications for the classification at the time of the examination; however, they met the minimum qualifications by the time of appointment. The appointment will stand as more than one year has elapsed and the candidate accepted the job offer in good faith.

**Criteria:** Pursuant to Government Code section 18931, subdivision (a), the Board shall establish minimum qualifications for determining the fitness and qualifications of employees for each class of position. In accordance with California Code of Regulations, title 2, section 249.4, appointing powers shall verify that the candidate satisfies the minimum qualifications of the classification before the candidate is appointed.

According to Human Resources Manual Section 3002, during the examination process and before appointment, information submitted in the application process from all candidates, except those who are on reemployment lists or who have reinstatement rights, must be evaluated for verification of meeting the minimum qualifications of the classification established by the Board. California Code of Regulations, title 2, section 171.2, and the Selection Manual section 6200.3, subdivision (f), provide that candidates for examinations must meet minimum qualifications by either the examination cutoff date or written test date.

**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. In this case, the appointment will stand as more than one year has elapsed and the candidate accepted the job offer in good faith.

**Cause:** The DCSS states that due to a technical error, the date the employee passed the bar examination date was not taken into consideration when calculating the legal experience required to take the Attorney III exam.

**Corrective Action:** Within 90 days of the date of this report, the DCSS must submit to the SPB a written corrective action response which addresses the corrections the department will implement to ensure conformity with California Code of Regulations, title 2, section 171.2, and the Selection Manual section 6200.3, subdivision (f). Copies of relevant documentation demonstrating that the corrective action has been implemented must be included with the corrective action response.

<b>SEVERITY: SERIOUS</b>	<b>FINDING No. 4 PROBATIONARY EVALUATIONS WERE NOT TIMELY</b>
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**Summary:** The DCSS did not provide in a timely manner 8 probationary reports of performance for 6 of the 27 appointments reviewed by the CRU, as reflected in the table below.

Classification	Appointment Type	Number of Appointments	Total Number of Late Probation Reports
Associate Management Auditor	Certification List	1	1
Attorney III	Certification List	1	2
Information Technology Specialist I	Certification List	1	1
Management Services Technician	Certification List	1	1
Office Assistant (General)	Certification List	1	1
Staff Services Analyst (General)	Certification List	1	2
		<b>6</b>	<b>8</b>

**Criteria:** The service of a probationary period is required when an employee enters or is promoted in the state civil service by permanent appointment from an employment list. (Gov. Code, § 19171.) During the probationary period, the appointing power shall evaluate the work and efficiency of a probationer in the manner and at such periods as the department rules may require. (Gov. Code, § 19172.) A report of the probationer's performance shall be made to the employee at sufficiently frequent intervals to keep the employee adequately informed of progress on the job. (Cal. Code Regs., tit. 2, § 599.795.) A written appraisal of performance shall be made to the Department within 10 days after the end of each one-third portion of the probationary period. (*Ibid.*) The Board's record retention rules require that appointing powers retain all probationary reports for five years from the date the record is created. (Cal. Code Regs., tit. 2, § 26, subd. (a)(3).)

- Severity:** Serious. The probationary period is the final step in the selection process to ensure that the individual selected can successfully perform the full scope of their job duties. Failing to use the probationary period to assist an employee in improving his or her performance or terminating the appointment upon determination that the appointment is not a good job/person match is unfair to the employee and serves to erode the quality of state government.
- Cause:** The DCSS states that despite a good faith effort to inform supervisors and managers regarding the requirements of completing probationary reports, including regular and consistent reminders of deadlines, not all managers provided timely probationary reports to their staff.
- Corrective Action:** The DCSS provides it will continue to provide its Executive Leadership team reports when probationary reports are due and will remind supervisors and managers of the probationary reporting requirement. Within 90 days of the date of this report, the DCSS must submit to the SPB written documentation which addresses the corrections the department has implemented to ensure conformity with California Code of Regulations, title 2, section 599.795.

### **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).)

<b>IN COMPLIANCE</b>	<b>FINDING No. 5 EQUAL EMPLOYMENT OPPORTUNITY PROGRAM COMPLIED WITH ALL CIVIL SERVICE LAWS AND BOARD RULES</b>
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After reviewing the policies, procedures, and programs necessary for compliance with the EEO program's role and responsibilities according to statutory and regulatory guidelines, the CRU determined that the DCSS's EEO program provided employees with information and guidance on the EEO process including instructions on how to file discrimination claims. Furthermore, the EEO program outlines the roles and responsibilities of the EEO Officer, as well as supervisors and managers. The EEO Officer, who is at a managerial level, reports directly to the Executive Director of the DCSS. The DCSS 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, April 1, 2020, through December 31, 2020, the DCSS had five PSC's that were in effect. The CRU reviewed all the PSC's, which are listed below:

Vendor	Services	Contract Date(s)	Contract Amount	Justification Identified?	Union Notification?
Acuity Technical Solutions	Training	6/15/20-6/14/21	\$31,000	Yes	Yes
Culligan Water	Water filtration maintenance and service	7/1/20-6/30/21	\$3,456	Yes	Yes
Eadie & Payne, LLP	Certified CPA	12/1/20-11/30/22	\$86,540	Yes	Yes <sup>4</sup>
Informatix, Inc. (FIDM)	Financial Institutions Data Match	7/1/20-6/30/21	\$60,804.44	Yes	Yes <sup>4</sup>
Oncore Consulting, LLC - Cloud Migration Support Services	Cloud Migration Support Services	4/1/20-3/31/22	\$7,312,448	Yes	Yes <sup>4</sup>

<b>SEVERITY:</b> <b>SERIOUS</b>	<b>FINDING No. 6    UNIONS WERE NOT NOTIFIED OF PERSONAL SERVICES CONTRACTS</b>
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**Summary:** The DCSS did not notify unions prior to entering into three of the five PSC's reviewed.

**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.

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<sup>4</sup> Union notification was sent after the contract execution date.

**Cause:** The DCSS states that its internal processes for notifying the unions of PSC's were not followed consistently due to a lack of training.

**Corrective Action:** It is the contracting department's responsibility to identify and notify any unions whose members could potentially perform the work to be contracted prior to executing the PSC. Within 90 days of the date of this report, the DCSS 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 supervisors 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 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 DCSS's mandated training program that was in effect during the compliance review period, January 1, 2019, through December 31, 2020.

<b>IN COMPLIANCE</b>	<b>FINDING No. 7    MANDATED TRAINING COMPLIED WITH STATUTORY REQUIREMENTS</b>
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The DCSS provided ethics training to its 18 new filers within 6 months of appointment and, for 95 existing filers, "at least once during each consecutive period of two calendar years, commencing on the first odd-numbered year thereafter." In addition, the DCSS provided sexual harassment prevention training to its 21 new supervisors within 6 months of appointment, and sexual harassment prevention training to its 105 existing supervisors every 2 years. Thus, the DCSS complied with mandated training requirements within statutory timelines.

## **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>5</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, March 1, 2020, through December 1, 2020, the DCSS made 77 appointments. The CRU reviewed 24 of those appointments to determine if the DCSS applied salary regulations accurately and correctly processed employees' compensation, which are listed below:

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<sup>5</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)
Associate Governmental Program Analyst	Certification List	Permanent	Full Time	\$5,149
Associate Management Auditor	Certification List	Permanent	Full Time	\$6,024
Attorney III	Certification List	Permanent	Full Time	\$9,307
Information Officer I (Specialist)	Certification List	Permanent	Full Time	\$5,149
Information Officer II	Certification List	Permanent	Full Time	\$6,572
Information Technology Specialist I	Certification List	Permanent	Full Time	\$7,251
Information Technology Specialist I	Certification List	Permanent	Full Time	\$6,715
Information Technology Specialist II	Certification List	Permanent	Full Time	\$8,999
Management Services Technician	Certification List	Permanent	Full Time	\$4,132
Management Services Technician	Certification List	Permanent	Full Time	\$3,841
Research Data Specialist I	Certification List	Permanent	Full Time	\$5,961
Research Data Specialist II	Certification List	Permanent	Full Time	\$6,213
Staff Services Analyst (General)	Certification List	Permanent	Full Time	\$5,628
Staff Services Management Auditor	Certification List	Permanent	Full Time	\$4,281
Staff Services Manager I	Certification List	Permanent	Full Time	\$6,124
Staff Services Manager I	Certification List	Permanent	Full Time	\$7,110
Staff Services Manager II (Supervisory)	Certification List	Permanent	Full Time	\$7,988
Associate Governmental Program Analyst	Transfer	Permanent	Full Time	\$5,963
Associate Governmental Program Analyst	Transfer	Permanent	Full Time	\$5,677
Associate Personnel Analyst	Transfer	Permanent	Full Time	\$6,447

Classification	Appointment Type	Tenure	Time Base	Salary (Monthly Rate)
Associate Personnel Analyst	Transfer	Permanent	Full Time	\$6,674
Information Technology Specialist I	Transfer	Permanent	Full Time	\$7,713
Personnel Specialist	Transfer	Permanent	Full Time	\$4,511
Staff Services Manager I	Transfer	Permanent	Full Time	\$6,974

<b>SEVERITY:</b> <b>VERY SERIOUS</b>	<b>FINDING No. 8    INCORRECT APPLICATIONS OF SALARY DETERMINATION LAWS, RULES, AND CALHR POLICIES AND GUIDELINES FOR APPOINTMENT</b>
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**Summary:** The CRU found the following errors in the DCSS's determination of employee compensation:

Classification	Description of Findings	Criteria
Information Technology Specialist I	Employee was placed in the incorrect alternate range upon appointment. This resulted in the employee being immediately placed in the higher range without salary rule considerations.	Cal. Code Regs., tit. 2, § 599.673
Information Technology Specialist I	Incorrect anniversary date which resulted in the employee being overcompensated.	Cal. Code Regs., tit. 2, § 599.674, subd. (a)
Staff Services Management Auditor	Incorrect salary determination resulting in the employee being undercompensated.	Cal. Code Regs., tit. 2, § 599.676
Staff Services Manager I	Incorrect salary determination resulting in the employee being undercompensated.	Cal. Code Regs., tit. 2, § 599.676

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

**Severity:** Very Serious. In four circumstances, the DCSS failed to comply with the requirements outlined in the state civil service pay plan. Incorrectly applying compensation laws and rules in accordance with

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

**Cause:** The DCSS states that the salary determination errors were made by inexperienced staff.

**Corrective Action:** The DCSS provides that it will ensure staff will be appropriately trained on salary determination rules and that salary determinations will be reviewed by a lead and/or management staff. The DCSS must establish an audit system to correct current compensation transactions as well as future transactions. Within 90 days of the date of this report, the DCSS must submit to the SPB written documentation which addresses the corrections the department has implemented to ensure that employees are compensated correctly.

#### Alternate Range Movement Salary Determination (within same classification)

If an employee qualifies under established criteria and moves from one alternate range to another alternate range of a class, the employee shall receive an increase or a decrease equivalent to the total of the range differential between the maximum salary rates of the alternate ranges. (Cal. Code Regs., tit. 2, § 599.681.) However, in many instances, the CalHR provides salary rules departments must use when employees move between alternate ranges. These rules are described in the alternate range criteria. (CalHR Pay Scales). When no salary rule or method is cited in the alternate range criteria, departments must default to Rule 599.681.

During the period under review, March 1, 2020, through December 1, 2020, the DCSS employees made three alternate range movements within a classification. The CRU reviewed the alternate range movements to determine if the DCSS applied salary regulations accurately and correctly processed each employee's compensation, which are listed below:

Classification	Prior Range	Current Range	Time Base	Salary (Monthly Rate)
Personnel Specialist	B	C	Full Time	\$3,896
Personnel Specialist	B	C	Full Time	\$4,094
Staff Services Management Auditor	B	C	Full Time	\$4,721

<b>SEVERITY:</b> <b>VERY SERIOUS</b>	<b>FINDING No. 9    ALTERNATE RANGE MOVEMENTS DID NOT COMPLY WITH CIVIL SERVICE LAWS, RULES, AND CALHR POLICIES AND GUIDELINES</b>
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**Summary:** The CRU found the following errors in the DCSS's determination of employee compensation:

Classification	Description of Findings	Criteria
Personnel Specialist	Incorrect salary keyed resulting in the employee being undercompensated. In addition, the incorrect anniversary date was keyed which resulted in the employee being undercompensated.	Cal. Code Regs., tit. 2, § 599.674, subd. (a) Cal. Code Regs., tit. 2, § 599.683, subd. (b)
Personnel Specialist	The incorrect anniversary date was keyed which resulted in the employee being overcompensated.	Cal. Code Regs., tit. 2, § 599.683, subd. (b)

**Criteria:** Alternate ranges are designed to recognize increased competence in the performance of class duties based upon experience obtained while in the class. The employee gains status in the alternate range as though each range were a separate classification. (Classification and Pay Guide Section 220.)

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

**Severity:** Very Serious. In two circumstances, the DCSS failed to comply with the requirements outlined in the state civil service pay plan. Incorrectly applying compensation laws and rules not in accordance with CalHR's policies and guidelines results in civil service employees receiving incorrect and/or inappropriate pay amounts.

**Cause:** The DCSS states that the alternate range determination mistakes were the result of human error.

**Corrective Action:** Within 90 days of the date of this report, the DCSS must submit to the SPB a written corrective action response which addresses the corrections the department will implement to ensure that employees

are compensated correctly. The DCSS must establish an audit system to correct current compensation transactions as well as future transactions. Copies of relevant documentation demonstrating that the corrective action has been implemented must be included with the corrective action response.

### Hiring Above Minimum Requests

The CalHR may authorize payment at any step above the minimum limit to classes or positions to meet recruiting problems, or to obtain a person who has extraordinary qualifications. (Gov. Code, § 19836.) For all employees new to state service, departments are delegated to approve HAMs for extraordinary qualifications. (Human Resources Manual Section 1707.) Appointing authorities may request HAMs for current state employees with extraordinary qualifications. (*Ibid.*) Delegated HAM authority does not apply to current state employees. (*Ibid.*)

Extraordinary qualifications may provide expertise in a particular area of a department's program. (*Ibid.*) This expertise should be well beyond the minimum qualifications of the class. (*Ibid.*) Unique talent, ability or skill as demonstrated by previous job experience may also constitute extraordinary qualifications. (*Ibid.*) The scope and depth of such experience should be more significant than its length. (*Ibid.*) The degree to which a candidate exceeds minimum qualifications should be a guiding factor, rather than a determining one. (*Ibid.*) The qualifications and hiring rates of state employees already in the same class should be carefully considered, since questions of salary equity may arise if new higher entry rates differ from previous ones. (*Ibid.*) Recruitment difficulty is a factor to the extent that a specific extraordinary skill should be difficult to recruit, even though some applicants are qualified in the general skills of the class. (*Ibid.*)

If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Government Code section 3517.5, the memorandum of understanding shall be controlling without further legislative action.<sup>6</sup> (Gov. Code, § 19836, subd. (b).)

Appointing authorities may request and approve HAMs for former legislative employees who are appointed to a civil service class and received eligibility for appointment pursuant to Government Code section 18990. (Human Resources Manual Section 1707.) The salary received upon appointment to civil service shall be in accordance with the salary

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<sup>6</sup> Except that if the provisions of the memorandum of understanding requires the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

rules specified in the California Code of Regulations. (*Ibid.*) A salary determination is completed comparing the maximum salary rate of the former legislative class and the maximum salary rate of the civil service class to determine applicable salary and anniversary regulation. (*Ibid.*) Typically, the legislative employees are compensated at a higher rate of pay; therefore, they will be allowed to retain the rate they last received, not to exceed the maximum of the civil service class. (*Ibid.*)

Appointing authorities may request/approve HAMs for former exempt employees appointed to a civil service class. (Human Resources Manual Section 1707.) The salary received upon appointment to civil service shall be competitive with the employee's salary in the exempt appointment. (*Ibid.*) For example, An employee appointed to a civil service class which is preceded by an exempt appointment may be appointed at a salary rate comparable to the exempt appointment up to the maximum of the salary range for the civil service class. (*Ibid.*)

During the period under review, March 1, 2020, through December 1, 2020, the DCSS authorized six HAM requests. The CRU reviewed five of those authorized HAM requests to determine if the DCSS correctly applied Government Code section 19836 and appropriately verified, approved and documented candidates' extraordinary qualifications, which are listed below:

Classification	Appointment Type	Status	Salary Range	Salary (Monthly Rate)
Information Technology Specialist I	Certification List	Permanent	\$6,715 - \$8,999	\$8,550
Information Technology Specialist I	Certification List	Permanent	\$6,715 - \$8,999	\$8,999
Information Technology Specialist I	Certification List	Permanent	\$6,395 - \$8,570	\$8,570
Information Technology Specialist II	Certification List	Permanent	\$7,014 - \$9,399	\$9,399
Information Technology Specialist II	Certification List	Permanent	\$7,014 - \$9,399	\$9,399

<b>IN COMPLIANCE</b>	<b>FINDING No. 10    HIRE ABOVE MINIMUM REQUESTS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES</b>
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The CRU found that the HAM requests the DCSS made during the compliance review period, satisfied civil service laws, Board rules and CalHR policies and guidelines.

## Bilingual Pay

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

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

During the period under review, March 1, 2020, through December 1, 2020, the DCSS issued bilingual pay to 29 employees. The CRU reviewed 11 of these bilingual pay authorizations to ensure compliance with applicable CalHR policies and guidelines. These are listed below:

Classification	Bargaining Unit	Time Base	No. of Appts.
Associate Governmental Program Analyst	R01	Permanent	1
Child Support Specialist, Department of Child Support Services	R01	Permanent	3
Child Support Technician, Department of Child Support Services	R01	Permanent	5
Management Services Technician	R01	Permanent	1
Senior Child Support Analyst, Department of Child Support Services	R01	Permanent	1

<b>IN COMPLIANCE</b>	<b>FINDING No. 11 BILINGUAL PAY AUTHORIZATIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES</b>
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The CRU found that the bilingual pay authorized to employees during the compliance review period, satisfied civil service laws, Board rules and CalHR policies and guidelines

## Pay Differentials

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

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

During the period under review, March 1, 2020, through December 1, 2020, the DCSS issued pay differentials<sup>7</sup> to seven employees. The CRU reviewed all pay differentials to ensure compliance with applicable CalHR policies and guidelines. These are listed below:

Classification	Pay Differential	Monthly Amount
Personnel Specialist	240	\$2,400
Personnel Specialist	240	\$2,400
Research Data Analyst II	14	10%
Research Data Analyst II	14	10%
Senior Personnel Specialist	240	\$2,400
Staff Services Manager II (Supervisory)	14	10%
Staff Services Manager III	14	10%

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<sup>7</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. 12 PAY DIFFERENTIAL AUTHORIZATIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES</b>
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The CRU found no deficiencies in the pay differentials that the DCSS 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>8</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, March 1, 2020, through December 1, 2020, the DCSS issued OOC pay to four employees. The CRU reviewed all of the 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>8</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
Administrative Assistant I	R01	Administrative Assistant II	October 1, 2020 – October 31, 2020
Associate Governmental Program Analyst	R01	Staff Services Manager I	May 1, 2020 – May 31, 2020
Staff Management Auditor	S01	Senior Management Auditor	October 1, 2020 – October 31, 2020
Staff Services Manager II (Supervisory)	S01	Staff Services Manager III	October 1, 2020 – October 31, 2020

<b>SEVERITY:</b> <b>VERY SERIOUS</b>	<b>FINDING No. 13 INCORRECT AUTHORIZATION OF OUT-OF-CLASS PAY</b>
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**Summary:** The CRU found three errors in the DCSS's authorization of OOC pay:

Classification	Out-of-Class Classification	Description of Finding(s)	Criteria
Administrative Assistant I	Administrative Assistant II	The 9.23 percent Personal Leave Program reduction was not taken into consideration when determining the OOC pay rate which resulted in the employee being overcompensated.	Pay Differential 101
Staff Management Auditor	Senior Management Auditor	The 9.23 percent Personal Leave Program reduction was not taken into consideration when determining the OOC pay rate which resulted in the employee being overcompensated.	Pay Differential 101
Staff Services Manager II (Supervisory)	Staff Services Manager III	The 9.23 percent Personal Leave Program reduction was not taken into consideration when determining the OOC pay rate which resulted in the employee being overcompensated.	Pay Differential 101

**Criteria:** Employees may be compensated for performing duties of a higher classification provided that: the assignment is made in advance in writing and the employee is given a copy of the assignment; and the

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

For excluded employees, there shall be no compensation for assignments that last for 15 consecutive working days or less. (Cal. Code Regs., tit. 2, § 599.810, subd. (c).) An excluded employee performing in a higher class for more than 15 consecutive working days shall receive the rate of pay the excluded employee would receive if appointed to the higher class for the entire duration of the assignment, not to exceed one year. (Cal. Code Regs., tit. 2, § 599.810, subd. (d).) An excluded employee may be assigned out-of-class work for more than 120 calendar days during any 12-month period only if the appointing power files a written statement with the CalHR certifying that the additional out-of-class work is required to meet a need that cannot be met through other administrative or civil service alternatives. (Cal. Code Regs., tit. 2, § 599.810, subd. (e).)

**Severity:** Very Serious. The DCSS 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:** The DCSS states that the OOC pay errors were made by inexperienced staff who missed the notice from CalHR which stated the OOC pay is subject to the 9.23% PLP reduction.

**Corrective Action:** Within 90 days of the date of this report, the DCSS must submit to the SPB a written corrective action response which addresses the corrections the department will implement to ensure conformity with future policy changes regarding OOC. Copies of relevant documentation demonstrating that the corrective action has been implemented must be included with the corrective action response.

## 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>9</sup> worked and paid absences<sup>10</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. Further, exceptions, under certain circumstances, may be made to the 1500 hour limitation, as long as the appointing power

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<sup>9</sup> For example, two hours or ten hours count as one day.

<sup>10</sup> For example, vacation, sick leave, compensating time off, etc.

follows the process outlined in the Personnel Management Policy and Procedures Manual, section 333.

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 DCSS had five positive paid employees whose hours were tracked. The CRU reviewed all of the positive paid appointments to ensure compliance with applicable laws, regulations, policies and guidelines, which are listed below:

Classification	Tenure	Time Frame	Time Worked
Student Assistant	Temporary	10/1/19 - 6/30/20	561.5
Student Assistant	Temporary	4/1/19 - 4/30/20	1183.5
Student Assistant	Temporary	10/1/19 - 6/30/20	1216
Student Assistant	Temporary	4/1/19 - 4/30/20	1280
Student Assistant	Temporary	4/1/19 - 3/31/20	1280.75

<b>IN COMPLIANCE</b>	<b>FINDING No. 14 POSITIVE PAID EMPLOYEES' TRACKED HOURS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES</b>
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The CRU found no deficiencies in the positive paid employees reviewed during the compliance review period. The DCSS 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, October 1, 2019, through September 30, 2020, the DCSS placed 26 employees on ATO. The CRU reviewed 18 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
Associate Governmental Program Analyst	7/9/20 - 7/22/20	80 hours
Associate Governmental Program Analyst	5/5/20 - 5/22/20	80 hours
Associate Governmental Program Analyst	6/1/20 - 6/12/20	80 hours
Associate Governmental Program Analyst	4/28/20 - 8/31/20 9/1/20 - 9/9/20	60 hours 20 hours
Associate Governmental Program Analyst	4/21/20 - 5/21/20	80 hours
Child Support Specialist, Department of Child Support Services	5/4/20 - 5/15/20	80 hours
Child Support Technician, Department of Child Support Services	8/27/20 & 9/9/20	16 hours
Child Support Technician, Department of Child Support Services	4/22/20 - 6/23/20	80 hours
Information Technology Specialist I	8/20/20 - 09/3/20	32 hours
Information Technology Specialist I	4/14/20 - 4/17/20	32 hours
Office Assistant (General)	2/5/20 - 2/19/20	80 hours
Personnel Specialist	7/1/20 & 7/24/20	16 hours
Personnel Specialist	7/2/20 - 7/15/20	80 hours
Research Data Analyst II	4/20/20 - 5/27/20	80 hours
Senior Child Support Analyst, Department of Child Support Services	4/20/20 - 5/31/20	80 hours
Senior Child Support Analyst, Department of Child Support Services	4/27/20 - 6/9/20	80 hours
Senior Personnel Specialist	5/1/20 - 7/3/20	80 hours
Staff Services Manager I	4/21/20 - 5/5/20	80 hours

<b>SEVERITY:</b> <b>SERIOUS</b>	<b>FINDING No. 15 ADMINISTRATIVE TIME OFF WAS NOT PROPERLY DOCUMENTED</b>
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- Summary:** The DCSS did not grant ATO in conformity with the established policies and procedures. Of the 18 ATO authorizations reviewed by the CRU, 1 was found to be out of compliance for failing to document justification for ATO.
- Criteria:** Appointing authorities are authorized to approve ATO for up to five (5) working days. (Gov. Code, § 19991.10.) Furthermore, they “have delegated authority to approve up to 30 calendar days.” (Human Resources Manual Section 2121.) Any ATO in excess of 30 calendar days must be approved in advance by the CalHR. (*Ibid.*) In most cases, if approved, the extension will be for an additional 30 calendar days. (*Ibid.*) The appointing authority is responsible for submitting ATO extension requests to CalHR at least 5 working days prior to the expiration date of the approved leave. (*Ibid.*)
- When requesting an ATO extension, the appointing authority must provide a justification establishing good cause for maintaining the employee on ATO for the additional period of time. (*Ibid.*) ATO may not be used and will not be granted for an indefinite period. (*Ibid.*) If CalHR denies a request to extend ATO, or the appointing authority fails to request approval from CalHR to extend the ATO, the employee must be returned to work in some capacity. (*Ibid.*)
- Regardless of the length of ATO, appointing authorities must maintain thorough documentation demonstrating the justification for the ATO, the length of the ATO, and the approval of the ATO. (*Ibid.*)
- Severity:** Serious. Because an employee on ATO is being paid while not working, a failure to closely monitor ATO usage could result in costly abuse. The use of ATO is subject to audit and review by CalHR and other control agencies to ensure policy compliance. Findings of non-compliance may result in the revocation of delegated privileges.
- Cause:** The DCSS states that appropriate keying instructions were not relayed to staff because of staffing changes within the Human Resources Branch.

**Corrective Action:** Within 90 days of the date of this report, the DCSS must submit to the SPB a written corrective action response which addresses the corrections the department has or will implement to ensure conformity with Human Resources Manual Section 2121. Copies of relevant documentation demonstrating that the corrective action has been implemented must be included with the corrective action response.

#### 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, July 1, 2020, through September 30, 2020, the DCSS reported 56 units comprised of 590 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
August 2020	414	18	18	0
August 2020	421	9	9	0
August 2020	425	19	19	0
August 2020	426	29	29	0
September 2020	414	18	18	0

Timesheet Leave Period	Unit Reviewed	Number of Employees	Number of Timesheets Reviewed	Number of Missing Timesheets
September 2020	421	9	9	0
September 2020	425	20	20	0
September 2020	426	27	27	0

<b>SEVERITY:</b> <b>VERY SERIOUS</b>	<b>FINDING No. 16 INCORRECTLY POSTED LEAVE USAGE AND/OR LEAVE CREDIT</b>
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**Summary:** The DCSS did not correctly enter 7 of 146 timesheets into the Leave Accounting System (LAS) during the August and September 2020 pay periods. As a result, seven employees retained their prior leave balance despite having used leave credits.

**Criteria:** Departments shall create a monthly internal audit process to verify that all leave input into any leave accounting system is keyed accurately and timely. (Human Resources Manual Section 2101.) 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.*)

**Severity:** Very serious. Errors in posting leave usage and/or leave credits puts 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 DCSS states that the errors were made by inexperienced staff. The Human Resources Branch was also in the midst of converting to an online timesheet auditing process and training a new Payroll and Benefits employee.

**Corrective Action:** Within 90 days of the date of this report, the DCSS must submit to the SPB a written corrective action response which addresses the corrections the department will implement to ensure conformity with Human Resources Manual Section 2101. Copies of relevant

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

### State Service

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

Generally, an employee who has 11 or more working days of service in a monthly pay period shall be considered to have a complete month, a month of service, or continuous service.<sup>11</sup> (Cal. Code Regs., tit. 2, § 599.608.) Full time and fractional employees who work less than 11 working days in a pay period will have a non-qualifying month and will not receive state service or leave accruals for that month.

Hourly or daily rate employees working at a department in which the full-time workweek is 40 hours who earn the equivalent of 160 hours of service in a monthly pay period or accumulated pay periods shall be considered to have a complete month, a month of service, or continuous service. (Cal. Code Regs., tit. 2, § 599.609.)

For each qualifying monthly pay period, the employee shall be allowed credit for vacation with pay on the first day of the following monthly pay period. (Cal. Code Regs., tit. 2, § 599.608.) When computing months of total state service to determine a change in the monthly credit for vacation with pay, only qualifying monthly pay periods of service before and after breaks in service shall be counted. (Cal. Code Regs., tit. 2, § 599.739.) Portions of non-qualifying monthly pay periods of service shall not be counted nor accumulated. (*Ibid.*) On the first day following a qualifying monthly pay period, excluded employees<sup>12</sup> shall be allowed credit for annual leave with pay. (Cal. Code Regs., tit. 2, § 599.752.)

Permanent intermittent employees also earn leave credits on the pay period following the accumulated accrual of 160 hours worked. Hours worked in excess of 160 hours in a monthly pay period, are not counted or accumulated towards leave credits.

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<sup>11</sup> Government Code sections 19143, 19849.9, 19856.1, 19858.1, 19859, 19861, 19863.1, and 19997.4 and California Code of Regulations, title 2, sections 599.609, 599.682, 599.683, 599.685, 599.687, 599.737, 599.738, 599.739, 599.740, 599.746, 599.747, 599.776.1, 599.787, 599.791, 599.840 and 599.843 provide further clarification for calculating state time.

<sup>12</sup> As identified in Government Code sections 19858.3, subdivisions (a), (b), or (c), or as it applies to employees excluded from the definition of state employee under Government Code section 3513, subdivision (c), or California Code of Regulations, title 2, section 599.752, subdivision (a), and appointees of the Governor as designated by the Department and not subject to section 599.752.1.

During the period under review, March 1, 2020, through December 1, 2020, the DCSS had 38 employees with non-qualifying pay period transactions. The CRU reviewed all the transactions to ensure compliance with applicable laws, regulations and CalHR policy and guidelines, which are listed below:

Type of Transaction	Time base	Number Reviewed
Qualifying Pay Period	Full Time	34
Non-Qualifying Pay Period	Full Time	4

<b>SEVERITY:</b> <b>VERY SERIOUS</b>	<b>FINDING No. 17 INCORRECT APPLICATION OF STATE SERVICE AND LEAVE TRANSACTION</b>
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**Summary:** The CRU found the following error in the DCSS's state service transactions:

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

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

Hourly or daily rate employees working in a state agency in which the full-time workweek is 40 hours who earn the equivalent of 160 hours of service in a monthly pay period or accumulated pay periods shall be considered to have a complete month, a month of service, or continuous service. (Cal. Code Regs., tit.2, § 599.609.) When an employee has a break in service or changes to full-time, any combination of time worked which does not equal one qualifying month of full-time service shall not be accumulated or counted. (*Ibid.*)

- Severity:** Very Serious. For audit purposes, accurate and timely attendance reporting is required of all departments. If the length of an informal leave results in a non-qualifying pay period, a state service transaction must be processed. Inappropriately authorizing state service credits and leave accruals to employees who did not earn them results in a monetary loss for the department.
- Cause:** The DCSS states that the incorrect application of state service credit was due to human error.
- Corrective Action:** Within 90 days of the date of this report, the DCSS must submit to the SPB a written corrective action response which addresses the corrections the department will implement to ensure state service transactions are keyed accurately. 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. 18 NEPOTISM POLICY COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES</b>
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The CRU verified that the policy was disseminated to all staff and emphasized the DCSS's commitment to the state policy of recruiting, hiring and assigning employees on the basis

of merit. Additionally, the DCSS'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 DCSS did not employ volunteers during the compliance review period.

<b>IN COMPLIANCE</b>	<b>FINDING No. 19 WORKERS' COMPENSATION PROCESS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES</b>
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The CRU verified that the DCSS 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 DCSS 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 80 permanent DCSS employees to ensure that the department was conducting performance appraisals on an annual basis in accordance with applicable laws, regulations, policies and guidelines<sup>13</sup>. These are listed below:

Classification	Number of Employees' Files Reviewed
Accounting Administrator I (Specialist)	2
Accounting Administrator I (Supervisor)	1
Associate Accounting Analyst	1
Associate Administrative Analyst - Accounting Systems-	1
Associate Governmental Program Analyst	18
Associate Personnel Analyst	1
Attorney III	2
Child Support Specialist, Department of Child Support Services	4
Information Officer I (Specialist)	1
Information Technology Associate	1
Information Technology Manager I	2
Information Technology Specialist I	13
Information Technology Specialist II	8
Office Technician (Typing)	2
Personnel Specialist	1
Research Data Specialist II	1
Senior Accounting Officer (Specialist)	2
Senior Child Support Analyst, Department of Child Support Services	2
Senior Management Auditor	1

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<sup>13</sup> According to the DCSS internal policy, performance appraisals are due January 31, 2021, for the 2020 calendar year.

Classification	Number of Employees' Files Reviewed
Senior Personnel Specialist	1
Staff Management Auditor	1
Staff Services Analyst (General)	3
Staff Services Manager I	6
Staff Services Manager II (Supervisory)	4
Staff Services Manager III	1

<b>IN COMPLIANCE</b>	<b>FINDING No. 20 PERFORMANCE APPRAISAL POLICY AND PROCESSES COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES</b>
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The CRU found no deficiencies in the performance appraisals selected for review. Accordingly, the DCSS performance appraisal policy and processes satisfied civil service laws, Board rules, policies and guidelines.

#### **DEPARTMENTAL RESPONSE**

The DCSS's response is attached as Attachment 1.

#### **SPB REPLY**

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

**CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES**

P.O. Box 419064, Rancho Cordova, CA 95741-9064



July 6, 2021

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

From: Sandra St. Louis, Personnel Officer  
Personnel Services Section  
Human Resources Branch

SUBJECT: **DCSS RESPONSE TO THE STATE PERSONNEL BOARD DRAFT  
COMPLIANCE REPORT**

The Department of Child Support Services (DCSS) is in receipt of the draft State Personnel Board (SPB) Compliance Review Report. Based on the compliance review conducted by the Compliance Review Unit (CRU) of DCSS' personnel practices in the areas of Examinations, Appointments, Equal Employment Opportunity (EEO), Personal Services Contracts, Mandated Training, Compensation and Pay, Leave, and Policy and Processes, the DCSS Human Resources Branch (HRB) respectfully provides the following response to each of the findings as presented by the SPB.

**Finding No. 3: Unlawful Appointment. (Very Serious)****CRU Summary:**

The DCSS made one appointment utilizing the certification list for the Attorney III. The hired candidate did not meet minimum qualifications for the classification at the time of the examination; however, they met the minimum qualifications by the time of appointment. The appointment will stand as more than one year has elapsed and the candidate accepted the job offer in good faith.

**DCSS Response:**

The DCSS concurs with the finding. The employee met the Minimum Qualifications at the time of the appointment (6 years of legal experience). However, a technical error occurred when the analyst calculated the five and one-half years of legal experience for accession date verification. The date the employee passed the bar examination date was not taken into consideration

Ms. Ambrose  
Page 2  
July 6, 2021

when calculating the legal experience required to take the Attorney III exam. The employee had 5 years, 3-months legal experience at the time of Attorney III exam.

**Finding No. 4: Probationary Evaluations were not timely. (Serious)**

**CRU Summary:**

The DCSS did not provide in a timely manner 8 probationary reports of performance for 6 of the 27 appointments reviewed by the CRU.

**DCSS Response:**

DCSS agrees with the finding. HRB makes a good faith effort to inform supervisors and managers regarding the requirements of completing probationary reports, including regular and consistent reminders of deadlines. HRB uses several methods to inform and remind supervisors and managers of the requirements to complete probationary reports for all eligible employees; not all managers provided timely probationary reports to their staff. DCSS will continue to generate a monthly report listing all employees nearing the probationary report due dates for the Executive Leadership team to address due dates with their supervisors and managers. Additionally, at the time of new hires/appointments, DCSS will continue to remind supervisors, managers, and attendance coordinators at various intervals of the probationary reporting requirement.

**Finding No. 6: Unions were not notified of Personal Services Contracts. (Serious)**

**CRU Summary:**

The DCSS did not notify unions prior to entering three of the five PSCs reviewed.

**DCSS Response:**

Due to some staff in training, their internal processes for notifying the unions of PSC's were not followed consistently. Buyers are not leveraging the opportunity to submit draft statement of work to meet the require union notification as it was unclear the timing of notice stated in California Government Code, Section 19130 should be applied.

**Finding No. 8: Incorrect applications of Salary Determination Laws, Rules, and CalHR policies and guidelines for appointment. (Very Serious)**

**CRU Summary:**

The CRU found four errors in DCSS' determination of employee compensation.

Ms. Ambrose  
Page 3  
July 6, 2021

**DCSS Response:**

DCSS acknowledges the finding, and these errors were made by inexperienced staff. We will ensure staff will be trained on Salary Determination Laws, Rules, CalHR policies and DCSS procedures. Moving forward, the work will also be reviewed by a lead and/or management staff.

**Finding No. 9: Alternate Range Movements did not comply with civil service laws, rules, and CalHR policies and guidelines. (Very Serious)**

**CRU Summary:**

The CRU found two errors in DCSS's determination of employee compensation.

**DCSS Response:**

DCSS concurs with the finding and the employee compensation mistakes were made by human error. DCSS has taken corrective measures to prevent any reoccurrences of this type.

**Finding No. 13: Incorrect authorization of Out-of-Class Pay. (Very Serious)**

**CRU Summary:**

The CRU found three errors in the DCSS's authorization of OOC pay.

**DCSS Response:**

DCSS agrees with the CRU's finding. The error was made by inexperienced staff who missed the notice from CalHR which stated the OOC pay is subject to the 9.23% PLP reduction. DCSS has taken corrective action and has set up accounts receivables for these employees.

**Finding No. 15: Administrative Time Off was not properly documented. (Serious)**

**CRU Summary:**

The DCSS did not grant ATO in conformity with the established policies and procedures. Of the 18 ATO authorizations reviewed by the CRU, 1 was found to be out of compliance for failing to document justification for ATO.

**DCSS Response:**

Due to multiple changes in staffing within HRB, the keying instruction was not relayed to the appropriate staff. DCSS concurs with the finding and has fully implemented corrective action. Further, the ATO time has been keyed into the SCO system for the identified employee.

Ms. Ambrose  
Page 4  
July 6, 2021

**Finding No. 16: Incorrectly posted leave usage and/or leave credit. (Very Serious)**

**CRU Summary:**

The DCSS did not correctly enter 7 of 146 timesheets into the Leave Accounting System (LAS) during the August and September 2020 pay periods. As a result, seven employees retained their prior leave balance despite having used leave credits.

**DCSS Response:**

The DCSS agrees with this finding and recognizes the errors were made by inexperienced staff. Due to the COVID Emergency Telework, HRB was also converting the timesheet auditing process to electronic and training a new Payroll and Benefits employee. Consequently, the leave audit fell behind a few months but HRB is now auditing monthly timesheets on a current basis.

**Finding No. 17: Incorrect application of State Service and Leave Transaction. (Very Serious)**

**CRU Summary:**

The CRU found one error in DCSS's state leave where one employee was found with an erroneous credit of a qualified pay period.

**DCSS Response:**

The DCSS acknowledges the finding and it was made due to human error. DCSS has taken immediate action and corrected the employee's history.

DCSS strives to ensure good employment practices and remains committed to working with the State Personnel Board. DCSS Executive staff are committed to ensuring that all required training is taken on a timely basis. Thank you for the opportunity to discuss and respond to the Draft Compliance Review Report.

If you have any questions, please contact me at (916) 464-1722 or at [Sandra.stlouis@dcss.ca.gov](mailto:Sandra.stlouis@dcss.ca.gov).

STATE OF CALIFORNIA  
DEPARTMENT OF CHILD SUPPORT SERVICES

**COMPLIANCE REVIEW CORRECTIVE  
ACTION PLAN**  
**OCTOBER 20, 2021**

HUMAN RESOURCES BRANCH  
11150 INTERNATIONAL DRIVE RANCHO CORDOVA CA 95670

## **COMPLIANCE REVIEW CORRECTIVE ACTION PLAN**

On July 22, 2021, the State Personnel Board (SPB) published a compliance review report of a routine review conducted of the Department of Child Support Services (DCSS) personnel practices in the areas of examinations, appointments, equal employment opportunity, personnel services contracts, mandated training, compensation and pay, leave, and policy and process for the period of March 1, 2020, through December 1, 2020, or April 1, 2020, through December 31, 2020. The reviews are conducted to ensure state agencies maintain compliance with applicable laws, rules, and regulations governing personnel practices and to identify and share best practices.

The report summarized the compliance review findings in which the DCSS was found in violation of nine areas and in compliance with 11 areas. The actual report also encompasses the department's written response to the draft report. The SPB report requests a written corrective action plan within 90 days of the SPB Executive Officer's approval of the report for each finding of non-compliance. This corrective action plan will meet this requirement.

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### **PLAN OVERVIEW**

This corrective action plan will address areas in which the SPB cited deficiencies within the scope of the review. Each finding will be addressed individually and will include the finding, summary, severity, cause, action steps, and responsible party.

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### **APPOINTMENTS**

#### **FINDING NO. 3: UNLAWFUL APPOINTMENT (VERY SERIOUS)**

**SUMMARY:** DCSS made one appointment utilizing the certification list for the Attorney III. The hired candidate did not meet minimum qualifications for the classification at the time of the examination; however, they met the minimum qualifications by the time of appointment. The appointment will stand as more than one year has elapsed and the candidate accepted the job offer in good faith.

**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

## Compliance Review Corrective Action Plan

October 20, 2021

Page 2

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. In this case, the appointment will stand as more than one year has elapsed and the candidate accepted the job offer in good faith.

**CAUSE:** Due to a technical error, the date the employee passed the bar examination was not taken into consideration when calculating the legal experience required to take the Attorney III exam.

### ACTION STEPS:

- (1) DCSS has identified the need to retrain Classification and Hiring Unit Analysts in conducting minimum qualification evaluations. All Classification and Hiring Unit Analysts are currently enrolled in the Selection Analyst Training: Evaluating Minimum Qualifications training course to be conducted by the California Department of Human Resources (CalHR) on October 12 through 13, 2021 (**Attachment A**).
  - a. DCSS will provide the SPB with the completed training certificates once the certificates are available.

**RESPONSIBLE PARTY:** DCSS Human Resources Branch.

### FINDING NO. 4: PROBATIONARY EVALUATIONS WERE NOT TIMELY (SERIOUS)

**SUMMARY:** DCSS did not provide in a timely manner eight probationary reports of performance for six of the 27 appointments reviewed.

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

**CAUSE:** Despite a good faith effort to inform supervisors and managers regarding the requirements of completing probationary reports, including regular and consistent reminders of deadlines, not all managers provided timely probationary reports to their staff.

### ACTION STEPS:

- (1) DCSS has drafted an update to the Tracking Probationary Reports procedure (**Attachment B**) to include additional notification efforts to reiterate the requirement for timely completion of probationary reports. The Personnel Officer will now inform the Chief Deputy Director of upcoming probationary reports so the Chief Deputy

## Compliance Review Corrective Action Plan

October 20, 2021

Page 3

Director can communicate this information and expectation directly to DCSS Deputy Directors. This effort adds a level of accountability to ensure DCSS Program Managers and Supervisors complete reports timely for all probationary employees.

- a. DCSS will provide the SPB with the Tracking Probationary Reports procedure once it has received management approval and relevant staff have been notified.

(2) DCSS has provided a job aid (**Attachment C**) to the relevant Payroll and Benefit Unit staff to assist them in tracking important expiration and due dates.

**RESPONSIBLE PARTY:** DCSS Human Resources Branch, DCSS Program Managers and Supervisors.

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## PERSONNEL SERVICES CONTRACTS

**FINDING NO. 6: UNIONS WERE NOT NOTIFED OF PERSONNEL SERVICES CONTRACTS (SERIOUS)**

**SUMMARY:** DCSS did not notify unions prior to entering into three of the five personnel service contracts (PSCs) reviewed.

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

**CAUSE:** DCSS internal processes for notifying the unions of PSCs were not followed consistently due to a lack of training.

### ACTION STEPS:

(1) DCSS has updated the Procurement Policies and Procedures Manual Section 3.3.F (**Attachment D**) to include steps to notify Bargaining Units prior to executing or amending contracts.

- a. In addition, DCSS has developed an email template (**Attachment E**) to ensure the appropriate information is provided to DCSS Labor Relations (Performance Management Unit) staff for Bargaining Unit notification purposes.
- b. The Procurements and Contracts Branch Managers will be responsible for reviewing the procedure changes with staff to ensure comprehension.

**RESPONSIBLE PARTY:** DCSS Human Resources Branch, DCSS Procurement and Contracts Branch.

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## **COMPENSATION AND PAY**

**FINDING NO. 8: INCORRECT APPLICATIONS OF SALARY DETERMINATION LAWS, RULES, AND CALIFORNIA DEPARTMENT OF HUMAN RESOURCES (CALHR) POLICIES AND GUIDELINES FOR APPOINTMENT (VERY SERIOUS)**

**SUMMARY:** The following errors were found in DCSS's determination of employee compensation:

- One employee was placed in the incorrect alternate range upon appointment. This resulted in the employee being immediately placed in the higher range without salary rule considerations.
- Incorrect anniversary date which resulted in one employee being overcompensated.
- Incorrect salary determinations resulting in two employees being undercompensated.

**SEVERITY:** Very Serious. In four circumstances, DCSS failed to comply with the requirements outlined in the state civil service pay plan. Incorrectly applying compensation laws and rules in accordance with CalHR's policies and guidelines results in civil service employees receiving incorrect and/or inappropriate pay amounts.

**CAUSE:** The salary determination errors were made by inexperienced staff.

### **ACTION STEPS:**

- (1) DCSS has identified the need to train relevant Payroll and Benefits Unit staff on the salary determination process. All DCSS Personnel Specialists have recently completed the Introduction to Salary Determination training course conducted by the State Controller's Office (SCO) (**Attachment F**).
- (2) DCSS has drafted an update to the Salary Determinations procedure (**Attachment G**) to include review by the Senior Personnel Specialist and Payroll and Benefits Manager on all salary determinations conducted by Personnel Specialists.
  - a. The Salary Determination Worksheet (**Attachment H**) referenced in the procedures has been modified to a fillable format in an effort to avoid the possibility of future computation errors.
  - b. DCSS will provide the SPB with the Salary Determinations procedure once it has received management approval and relevant staff have been notified.

**RESPONSIBLE PARTY:** DCSS Human Resources Branch.

**FINDING NO. 9: ALTERNATE RANGE MOVEMENTS DID NOT COMPLY WITH CIVIL SERVICE LAWS, RULES, AND CALHR POLICIES AND GUIDELINES (VERY SERIOUS)**

Compliance Review Corrective Action Plan

October 20, 2021

Page 5

**SUMMARY:** The following errors were found in DCSS's determination of employee compensation:

- Incorrect salary keyed resulting in one employee being undercompensated.
- The incorrect anniversary dates were keyed which resulted in two employees being overcompensated.

**SEVERITY:** Very Serious. In two circumstances, DCSS failed to comply with the requirements outlined in the state civil service pay plan. Incorrectly applying compensation laws and rules not in accordance with CalHR's policies and guidelines results in civil service employees receiving incorrect and/or inappropriate pay amounts.

**CAUSE:** The alternate range determination mistakes were the result of human error.

**ACTION STEPS:**

- (1) DCSS has drafted a Range Change procedure (**Attachment I**), which includes review by the Senior Personnel Specialist and Payroll and Benefit Unit Manager on all alternate range changes identified by Personnel Specialists.
  - a. Once the procedure is finalized, the Payroll and Benefits Unit Manager will be responsible for reviewing the procedure with staff to ensure comprehension and for overseeing procedures are consistently followed.
  - b. DCSS will provide the SPB with the Range Change procedure once it has received management approval and relevant staff have been notified.
- (2) DCSS has provided a job aid (**Attachment C**) to the relevant Payroll and Benefit Unit staff to assist them in tracking important expiration and due dates.

**RESPONSIBLE PARTY:** DCSS Human Resources Branch.

**FINDING NO. 13: INCORRECT AUTHORIZATION OF OUT-OF-CLASS PAY (VERY SERIOUS)**

**SUMMARY:** The 9.23 percent Personal Leave Program (PLP) reduction was not taken into consideration when determining the out-of-class (OOC) pay rate which resulted in three employees being overcompensated.

**SEVERITY:** Very Serious. DCSS 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 resulted in civil service employees receiving incorrect and/or inappropriate compensation.

**CAUSE:** The OOC pay errors were made by inexperienced staff who missed the notice from CalHR which stated the OOC pay was subject to the 9.23% PLP reduction.

**ACTION STEPS:**

- (1) DCSS has implemented an onboarding checklist (**Attachment J**) for new Payroll and Benefit Unit staff to include subscriptions to all control agency listserv communications so they will be notified of Personnel Letters, Pay Letters, keying instructions, and other important and time-sensitive actions.
- a. In addition, all existing Payroll and Benefits Unit staff have subscribed to control agency listserv communications.
  - b. The Payroll and Benefits Unit Manager will be responsible for reviewing all keying action required within listserv communications with staff to ensure comprehension and for overseeing that those actions are consistently followed.

**RESPONSIBLE PARTY:** DCSS Human Resources Branch.

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**ADMINISTRATIVE TIME OFF**

**FINDING NO. 15: ADMINISTRATIVE TIME OFF WAS NOT PROPERLY DOCUMENTED (SERIOUS)**

**SUMMARY:** DCSS did not grant Administrative Time Off (ATO) in conformity with the established policies and procedures. Of the 18 ATO authorizations reviewed, one was found to be out of compliance for failing to document justification for ATO.

**SEVERITY:** Serious. Because an employee on ATO is being paid while not working, a failure to closely monitor ATO usage could result in costly abuse. The use of ATO is subject to audit and review by CalHR and other control agencies to ensure policy compliance. Findings of noncompliance may result in the revocation of delegated privileges.

**CAUSE:** Appropriate keying instructions were not relayed to staff because of staffing changes within the DCSS Human Resources Branch.

**ACTION STEPS:**

- (1) DCSS has updated their Administrative Time Off for Performance Management procedure (**Attachment K**) to consolidate this keying responsibility to the Payroll and Benefits Unit Manager and added a direct communication to the Personnel Officer regarding completed keying actions. This reduces the number of staff required to process ATO and elevates the responsibility to DCSS HR managers to mitigate future errors.
- a. Changes to the procedure have been communicated to the affected HR staff.

**RESPONSIBLE PARTY:** DCSS Human Resources Branch.

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## **LEAVE AUDITING AND TIMEKEEPING**

### **FINDING NO. 16: INCORRECTLY POSTED LEAVE USAGE AND/OR LEAVE CREDIT (VERY SERIOUS)**

**SUMMARY:** DCSS did not correctly enter seven of 146 timesheets into the Leave Accounting System (LAS) during the August and September 2020 pay periods. As a result, seven employees retained their prior leave balance despite having used leave credits.

**SEVERITY:** Very serious. Errors in posting leave usage and/or leave credits puts 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 errors were made by inexperienced staff. Human Resources Branch was also in the midst of converting to an online timesheet auditing process and training a new Payroll and Benefits employee.

#### **ACTION STEPS:**

- (1) DCSS identified the need to provide additional guidance to Payroll and Benefit Unit staff. A job aid (**Attachment L**) has been provided to all relevant Payroll and Benefit Unit staff to ensure leave usage is correctly entered into LAS.

**RESPONSIBLE PARTY:** DCSS Human Resources Branch.

### **FINDING NO. 17: INCORRECT APPLICATION OF STATE SERVICE AND LEAVE TRANSACTION (VERY SERIOUS)**

**SUMMARY:** DCSS incorrectly applied State Service to one non-qualifying pay period for one employee.

**SEVERITY:** Very Serious. For audit purposes, accurate and timely attendance reporting is required of all departments. If the length of an informal leave results in a non-qualifying pay period, a state service transaction must be processed. Inappropriately authorizing state service credits and leave accruals to employees who did not earn them results in a monetary loss for the department.

**CAUSE:** The incorrect application of State Service credit was due to human error.

#### **ACTION STEPS:**

- (1) DCSS identified a need to address the root cause of Finding 17, which was directly related to Finding 15. Thus, DCSS has updated their Administrative Time Off for Performance Management procedure (**Attachment K**) to consolidate keying responsibility to the Payroll and Benefits Unit Manager and added a direct communication to the Personnel Officer for completed keying actions. This reduced

Compliance Review Corrective Action Plan

October 20, 2021

Page 8

the number of staff required to process ATO and elevated the responsibility to DCSS HR managers to mitigate future errors.

- a. Changes to the procedure have been communicated to the affected HR staff.

**RESPONSIBLE PARTY:** DCSS Human Resources Branch.

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**APPROVAL**

I have read and approved the DCSS compliance review corrective action plan.

*Sandra St. Louis*

*10/18/2021*

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SANDRA ST. LOUIS  
Personnel Officer

Date

*Michelle Guillen*

*10/19/2021*

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MICHELLE GUILLEN  
Chief, Human Resources Branch

Date

*Irene Briggs*

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IRENE BRIGGS  
Deputy Director, Administrative Services

Date