



COMPLIANCE REVIEW REPORT

CALIFORNIA STATE BOARD OF EQUALIZATION

Compliance Review Unit
State Personnel Board
June 14, 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	10
PERSONAL SERVICES CONTRACTS	12
MANDATED TRAINING.....	14
COMPENSATION AND PAY	16
LEAVE.....	19
POLICY AND PROCESSES	25
DEPARTMENTAL RESPONSE.....	28
SPB REPLY	29

INTRODUCTION

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

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

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

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

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

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

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

EXECUTIVE SUMMARY

The CRU conducted a routine compliance review of the California State Board of Equalization (BOE) personnel practices in the areas of examinations, appointments, EEO, PSC's, mandated training, compensation and pay, leave, and policy and processes. The following table summarizes the compliance review findings.

Area	Severity	Finding
Examinations	In Compliance	Examinations Complied with Civil Service Laws and Board Rules
Appointments	Serious	Probationary Evaluations Were Not Provided for All Appointments Reviewed and Those That Were Provided Were Untimely
Equal Employment Opportunity	Very Serious	A Disability Advisory Committee Has Not been Established
Personal Services Contracts	Serious	Unions Were Not Notified of Personal Services Contracts
Mandated Training	Very Serious	Ethics Training Was Not Provided for All Filers
Mandated Training	Very Serious	Sexual Harassment Prevention Training Was Not Provided for All Supervisors
Compensation and Pay	Very Serious	Incorrect Application of Compensation Laws, Rules, and CalHR Policies and Guidelines for Appointment
Compensation and Pay	In Compliance	Pay Differential Authorization Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines
Leave	In Compliance	Positive Paid Employees' Tracked Hours Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines

Area	Severity	Finding
Leave	In Compliance	Administrative Time Off Authorizations Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Leave	Technical	Leave Activity and Correction Certification Forms Were Not Completed For All Leave Records Reviewed
Leave	Very Serious	Incorrectly Posted Leave Usage and/or Leave Credit
Policy	In Compliance	Nepotism Policy Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Policy	In Compliance	Workers' Compensation Process Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Policy	Serious	Performance Appraisals Were Not Provided to All Employees

BACKGROUND

The BOE is the only elected tax board in the country. The BOE is comprised of five members, four of whom are elected from constitutionally defined districts within the state. The fifth member is the State Controller who is elected at large and serves in an ex officio capacity. The BOE, acting as a body, appoints an Executive Director. The BOE employs approximately 200 employees with a consolidated headquarters location in Sacramento, California and a small field office in Norwalk, California.

Since 1879, the BOE's constitutional and statutory duties include the oversight of the 58 County Assessors' assessment practices to ensure statewide uniformity and consistency. In addition, the BOE directly assesses the property of regulated railroads and certain public utilities, collects the private railroad car tax, and is responsible for the Alcoholic Beverage Tax and Tax on Insurers. BOE's critical role in property tax administration by promoting fair and equitable assessments protects the tax dollars that schools, local communities, and the State of California depend on every day.

Effective July 1, 2017, the Taxpayer Transparency and Fairness Act of 2017, restructured the BOE and separated its functions among three separate entities. As a result, the California Department of Tax and Fee Administration (CDTFA), BOE, and Office of Tax

Appeals were created. The bulk of employees and the human resources functions transferred to the CDTFA. Accordingly, the CDTFA is the successor to the former BOE. While the current BOE is its own department, the CDTFA is statutorily required pursuant to Government Code 15570.28, to provide all professional administrative services for the BOE, including human resources, personnel, and acquisition services. Accordingly, the CalHR has delegated the authority to the CDTFA, not BOE, to perform many of the functions reviewed by CRU.

SCOPE AND METHODOLOGY

The scope of the compliance review was limited to reviewing the BOE's examinations, appointments, EEO program, PSC's, mandated training, compensation and pay, leave, and policy and processes¹. The primary objective of the review was to determine if the BOE'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.

On behalf of the BOE, the CDTFA administers all examinations. A cross-section of the BOE'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 CDTFA provided, which included examination plans, examination bulletins, job analyses, and scoring results. During the compliance review period, the CDTFA did not conduct any permanent withhold actions on behalf of the BOE.

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

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

The BOE's appointments were also selected for review to ensure the CDTFA applied salary regulations accurately and correctly processed BOE employees' compensation and pay. The CRU examined the documentation that the CDTFA provided, which included employees' employment and pay history and any other relevant documentation such as certifications, degrees, and/or the appointee's application. Additionally, the CRU reviewed specific documentation for the following personnel functions related to compensation and pay: monthly pay differentials. During the compliance review period, the CDTFA, on behalf of the BOE, did not issue or authorize hiring above minimum requests, red circle rate requests, arduous pay, bilingual pay, alternate range movements, or out-of-class assignments.

The review of the BOE's EEO program included examining written EEO policies and procedures; the EEO Officer's role, duties, and reporting relationship; the internal discrimination complaint process; the reasonable accommodation program; the discrimination complaint process; and the Disability Advisory Committee (DAC).

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

The BOE'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 CDTFA's Leave Activity and Correction Certification forms to verify that the CDTFA, on behalf of the BOE, created a monthly internal audit process to verify all leave input into any leave accounting system was keyed accurately and timely. The CRU selected a small cross-section of the BOE's units in order to ensure they maintained accurate and timely leave accounting records. Additionally, the CRU reviewed a selection of the BOE employees who used Administrative Time Off (ATO) in order to ensure that the CDTFA appropriately administered ATO. Further, the CRU reviewed a selection of BOE positive paid employees whose hours are tracked during the compliance

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

review period in order to ensure that they adhered to procedural requirements. During the compliance review period, the BOE did not have any employees with non-qualifying pay period transactions.

Moreover, the CRU reviewed the BOE's policies and processes concerning nepotism and performance appraisals. The CDTFA's policies and processes regarding workers' compensation, in which they provide to the BOE, were also reviewed. The review was limited to whether the BOE's and CDTFA's policies and processes adhered to procedural requirements.

On May 6, 2021, an exit conference was held with the BOE and the CDTFA to explain and discuss the CRU's initial findings and recommendations. The CRU received and carefully reviewed the BOE's written response on May 12, 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 CDTFA conducted four examinations on behalf of the BOE. The CRU reviewed all examinations, which are listed below:

Classification	Exam Type	Exam Components	Final File Date	No. of Apps
Career Executive Assignment (CEA) B, Chief, Communications Officer, BOE	CEA	Statement of Qualifications (SOQ) ³	6/2/20	19
Senior Specialist Property Appraiser (Board of Equalization)	Departmental Open	Education and Experience ⁴	9/4/20	1
Supervising Property Appraiser (Board of Equalization)	Departmental Open	Education and Experience	4/17/20	1
Supervising Property Appraiser (Board of Equalization)	Departmental Open	Education and Experience	5/8/20	2

IN COMPLIANCE	FINDING NO. 1 EXAMINATIONS COMPLIED WITH CIVIL SERVICE LAWS AND BOARD RULES
----------------------	--

The CRU reviewed three departmental open examinations and one CEA examination, which the CDTFA administered, on behalf of the BOE, in order to create eligible lists from which to make appointments. The CDTFA published and distributed examination bulletins containing the required information for all examinations. Applications received by the CDTFA 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 CDTFA conducted, on behalf of the BOE, during the compliance review period.

³ 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.

⁴ In an Education and Experience examination, one or more raters reviews the applicants' Standard 678 application forms, and scores and ranks them according to a predetermined rating scale that may include years of relevant higher education, professional licenses or certifications, and/or years of relevant work experience.

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 CDTFA made 23 appointments on behalf of the BOE. The CRU reviewed nine of those appointments, which are listed below:

Classification	Appointment Type	Tenure	Time Base	No. of Appts.
Assistant Property Auditor Appraiser (Board of Equalization)	Certification List	Permanent	Full Time	1
Associate Property Appraiser (Board of Equalization)	Certification List	Permanent	Full Time	1
Senior Specialist Property Auditor Appraiser (Board of Equalization)	Certification List	Permanent	Full Time	1
Staff Services Analyst (General)	Certification List	Permanent	Full Time	1
Staff Services Manager II (Supervisory)	Certification List	Permanent	Full Time	1
Supervising Property Appraiser (Board of Equalization)	Certification List	Permanent	Full Time	1
Associate Property Appraiser (Board of Equalization)	Transfer	Permanent	Full Time	1
Attorney III	Transfer	Permanent	Full Time	1

Classification	Appointment Type	Tenure	Time Base	No. of Appts.
Senior Specialist Property Appraiser (Board of Equalization)	Transfer	Permanent	Full Time	1

SEVERITY: SERIOUS	FINDING NO. 2 PROBATIONARY EVALUATIONS WERE NOT PROVIDED FOR ALL APPOINTMENTS REVIEWED AND THOSE THAT WERE PROVIDED WERE UNTIMELY
------------------------------	--

Summary: The BOE did not provide two probationary reports of performance for one of the nine appointments reviewed by the CRU. In addition, the BOE did not provide one probationary report of performance in a timely manner, as reflected in the table below.

Classification	Appointment Type	Number of Appointments	Total Number of Missing Probation Reports
Attorney III	Transfer	1	2

Classification	Appointment Type	Number of Appointments	Total Number of Late Probation Reports
Assistant Property Auditor Appraiser (Board of Equalization)	Certification List	1	1

Criteria: The service of a probationary period is required when an employee enters or is promoted in the state civil service by permanent appointment from an employment list; upon reinstatement after a break in continuity of service resulting from a permanent separation; or after any other type of appointment situation not specifically excepted from the probationary period. (Gov. Code, § 19171.) During the probationary period, the appointing power shall evaluate the work and efficiency of a probationer in the manner and at such periods as the department rules may require. (Gov. Code, § 19172.) A report of the probationer's performance shall be made to the employee at sufficiently frequent intervals to keep the employee adequately

informed of progress on the job. (Cal. Code Regs., tit. 2, § 599.795.) A written appraisal of performance shall be made to the Department within 10 days after the end of each one-third portion of the probationary period. (*Ibid.*) The Board's record retention rules require that appointing powers retain all probationary reports for five years from the date the record is created. (Cal. Code Regs., tit. 2, § 26, subd. (a)(3).)

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

Cause: The BOE states that the CDTFA did not have a formal system in place to provide BOE management with reminders or notification of probation report due dates. The BOE acknowledges a probation report was not provided by the prescribed due date. For the two missing probation reports identified, the CDTFA provided the BOE with a NOPA for the lateral transfer appointment in which the CDTFA inadvertently did not include a probationary period. Therefore, the responsible BOE manager presumed no probationary period was required.

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

Equal Employment Opportunity

Each state agency is responsible for an effective EEO program. (Gov. Code, § 19790.) The appointing power for each state agency has the major responsibility for monitoring

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

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

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

SEVERITY: VERY SERIOUS	FINDING NO. 3 A DISABILITY ADVISORY COMMITTEE HAS NOT BEEN ESTABLISHED
-----------------------------------	---

Summary: The BOE does not have an active DAC.

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

Severity: Very Serious. The agency head does not have direct information on issues of concern to employees or other persons with disabilities and input to correct any underrepresentation. The lack of a DAC may limit an agency’s ability to recruit and retain a qualified workforce, impact productivity, and subject the agency to liability.

Cause: The BOE states that their DAC remained with the CDTFA during the split of the agencies in July 2017. The BOE further states that actions to reestablish the DAC by the BOE's EEO Office were paused when the EEO Officer position became vacant in the first quarter of 2020.

Corrective Action: Within 90 days of the date of this report, the BOE must submit to the SPB a written corrective action response which addresses the corrections the department will implement to ensure the establishment of a DAC, comprised of members who have disabilities or who have an interest in disability issues. Copies of relevant documentation demonstrating that the corrective action has been implemented, including the new DAC roster, agenda, and meeting minutes, must be included with the corrective action response.

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 CDTFA, on behalf of the BOE, had three PSC's that were in effect. The CRU reviewed the three PSC's, which are listed below:

Vendor	Services	Contract Date(s)	Contract Amount	Justification Identified?	Union Notification?
Pitney Bowes, Inc.	Mail Postage	6/5/20 – 6/4/21	\$833.07	Yes	No
Time Printing Solutions Provider	Custom Commendation Paper	6/12/20 – 10/31/20	\$2,537.13	Yes	No
Viking Shred, LLC	Shred Services	7/15/20 – 6/30/21	\$9,999.00	Yes	No

SEVERITY: SERIOUS	FINDING NO. 4 UNIONS WERE NOT NOTIFIED OF PERSONAL SERVICES CONTRACTS
------------------------------	--

Summary: The CDTFA, on behalf of the BOE, did not notify unions prior to entering into all three of the 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.

Cause: The CDTFA states that due to staff turnover, their internal processes for notifying the unions of PSC's was not followed consistently. The CDTFA believed at the time of procurement, the statement of work did not require union notification as it was unclear when the conditions of notice stated in California Government Code, Section 19130 should be applied.

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

SEVERITY: VERY SERIOUS	FINDING No. 5 ETHICS TRAINING WAS NOT PROVIDED FOR ALL FILERS
-----------------------------------	--

Summary: The CRU reviewed 75 of 100 BOE existing filers. The BOE did not provide ethics training to 4 of 75 existing filers. In addition, the BOE

did not provide ethics training to any of the two new filers within six months of their appointment.

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

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

Cause: The CDTFA states that although they implemented a new Learning Management System, the CDTFA training staff did not master the full functionality of the system. Therefore, reminder notifications of mandatory ethics training due dates were not sent timely to all BOE filers.

Corrective Action: Within 90 days of this report, the BOE and CDTFA must submit to the SPB a written correction action response which addresses the corrections the departments will implement to demonstrate conformity with Government Code section 11146.3. Copies of relevant documentation demonstrating that the corrective action has been implemented must be included with the corrective action response.

SEVERITY: VERY SERIOUS	FINDING NO. 6 SEXUAL HARASSMENT PREVENTION TRAINING WAS NOT PROVIDED FOR ALL SUPERVISORS
-----------------------------------	---

Summary: The BOE provided sexual harassment prevention training every two years to all 15 existing supervisors reviewed. However, the BOE did not provide sexual harassment prevention training to one of its two new supervisors within six months of their appointment.

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

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

Cause: The CDTFA states that they changed LMS platforms and the archived LMS did not have the capability to track training and enable training due date notifications for BOE supervisors and managers.

Corrective Action: Within 90 days of the date of this report, the BOE and CDTFA must submit to the SPB a written corrective action response which addresses the corrections the departments will implement to ensure that new supervisors are provided supervisory training within twelve months of appointment as required by Government Code section 19995.4. Copies of relevant documentation demonstrating that the corrective action has been implemented must be included with the corrective action response.

Compensation and Pay

Salary Determination

The pay plan for state civil service consists of salary ranges and steps established by CalHR. (Cal. Code Regs., tit. 2, § 599.666.) Several salary rules dictate how departments calculate and determine an employee's salary rate⁵ 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 CDTFA made 23 appointments on behalf of the BOE. The CRU reviewed five of those

⁵ "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).

appointments to determine if the CDTFA applied salary regulations accurately and correctly processed BOE employees' compensation, which are listed below:

Classification	Appointment Type	Tenure	Time Base	Salary (Monthly Rate)
Assistant Property Auditor Appraiser (Board of Equalization)	Certification List	Permanent	Full Time	\$4,886
Associate Property Appraiser (Board of Equalization)	Certification List	Permanent	Full Time	\$5,738
Staff Services Manager II (Supervisory)	Certification List	Permanent	Full Time	\$7,837
Attorney III	Transfer	Permanent	Full Time	\$12,140
Senior Specialist Property Appraiser (Board of Equalization)	Transfer	Permanent	Full Time	\$8,165

SEVERITY: VERY SERIOUS	FINDING NO. 7 INCORRECT APPLICATION OF SALARY DETERMINATION LAWS, RULES, AND CALHR POLICIES AND GUIDELINES FOR APPOINTMENT
-----------------------------------	---

Summary: The CRU found the following errors in the CDTFA's determination of BOE employee compensation:

Classification	Description of Finding(s)	Criteria
Assistant Property Auditor Appraiser (Board of Equalization)	Incorrect salary determination resulting in the employee being overcompensated.	Cal. Code Regs., tit. 2, § 599.674, subd. (a)
Associate Property Appraiser (Board of Equalization)	Incorrect salary determination resulting in the employee being overcompensated.	Cal. Code Regs., tit. 2, § 599.673 and 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 two circumstances, the CDTFA 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 CDTFA states that the two incorrect BOE salary determinations were the result of human error.

Corrective Action: Within 90 days of the date of this report, the CDTFA 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 CDTFA must establish an audit system to correct current BOE 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.

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 CDTFA issued a pay differential⁶ to one BOE employee. The CRU reviewed the one pay

⁶ For the purposes of CRU's review, only monthly pay differentials were selected for review at this time.

differential to ensure compliance with applicable CalHR policies and guidelines. This is listed below:

Classification	Pay Differential	Monthly Amount
Senior Petroleum and Mining Appraisal Engineer	Longevity Pay Differential	3%

IN COMPLIANCE	FINDING NO. 8 PAY DIFFERENTIAL AUTHORIZATION COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES
----------------------	--

The CRU found no deficiencies in the pay differential that the CDTFA authorized, on behalf of the BOE, during the compliance review period. The pay differential was issued correctly in recognition of unusual competencies, circumstances, or working conditions in accordance with applicable rules and guidelines.

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 days⁷ worked and paid absences⁸, 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.*)

⁷ For example, two hours or ten hours count as one day.

⁸ For example, vacation, sick leave, compensating time off, etc.

It is an ATW appointment because the employee does not work each workday of the month, and it might become desirable or necessary for the employee to work beyond nine calendar months. The appointing power shall monitor and control the days worked to ensure the limitations set forth are not exceeded. (Cal. Code Regs., tit. 2, § 265.1, subd. (f).)

For student assistants, graduate student assistants, youth aides, and seasonal classifications a maximum work-time limit of 1500 hours within 12 consecutive months may be used rather than the 189-day calculation. (Cal. Code Regs., tit. 2, § 265.1, subd. (d).)

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

Classification	Tenure	Time Frame	Time Worked
Associate Governmental Program Analyst	Retired Annuitant	7/1/19 – 6/30/20	616.5
Associate Property Appraiser (Board of Equalization)	Retired Annuitant	7/1/19 – 6/30/20	349
Senior Specialist Property Appraiser (Board of Equalization)	Retired Annuitant	7/1/19 – 6/30/20	480
Senior Specialist Property Auditor Appraiser (Board of Equalization)	Retired Annuitant	7/1/19 – 6/30/20	6

Classification	Tenure	Time Frame	Time Worked
Senior Specialist Property Auditor Appraiser (Board of Equalization)	Retired Annuitant	7/1/19 – 6/30/20	275.5
Senior Specialist Property Auditor Appraiser (Board of Equalization)	Retired Annuitant	7/1/19 – 6/30/20	330
Tax Counsel III (Specialist)	Retired Annuitant	7/1/19 – 6/30/20	844.5

IN COMPLIANCE	FINDING NO. 9 POSITIVE PAID EMPLOYEES' TRACKED HOURS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
----------------------	---

The CRU found no deficiencies in the positive paid employees reviewed during the compliance review period. The CDTFA, on behalf of the BOE, 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 CDTFA placed one BOE employee on ATO. The CRU reviewed the ATO authorization to ensure compliance with applicable laws, regulations, and CalHR policy and guidelines, which are listed below:

Classification	Time Frame	Amount of Time on ATO
Office Technician (General)	6/1/20 – 6/2/20	16 hours

IN COMPLIANCE	FINDING NO. 10 ADMINISTRATIVE TIME OFF AUTHORIZATIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
----------------------	--

The CRU found no deficiencies in the ATO authorization reviewed during the compliance review period. The CDTFA, on behalf of the BOE, provided the proper documentation justifying the use of ATO and adhered to applicable laws, regulations and CalHR policy and guidelines.

Leave Auditing and Timekeeping

Departments must keep complete and accurate time and attendance records for each employee and officer employed within the agency over which it has jurisdiction. (Cal. Code Regs., tit. 2, § 599.665.)

Departments are directed to create a monthly internal audit process to verify all leave input into any leave accounting system is keyed accurately and timely. (Human Resources Manual Section 2101.) Departments shall create an audit process to review and correct leave input errors on a monthly basis. The review of leave accounting records shall be completed by the pay period following the pay period in which the leave was keyed into the leave accounting system. (*Ibid.*) If an employee’s attendance record is determined to have errors or it is determined that the employee has insufficient balances for a leave type used, the attendance record must be amended. (*Ibid.*) Attendance records shall be corrected by the pay period following the pay period in which the error occurred. (*Ibid.*) Accurate and timely attendance reporting is required of all departments and is subject to audit. (*Ibid.*)

During the period under review, July 1, 2020, through September 30, 2020, the BOE reported 18 units comprised of 139 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
July 2020	300	5	5	0
July 2020	301	7	7	0
July 2020	311	9	9	0
August 2020	012	1	1	0
August 2020	056	4	4	0

Timesheet Leave Period	Unit Reviewed	Number of Employees	Number of Timesheets Reviewed	Number of Missing Timesheets
August 2020	333	6	6	0
September 2020	012	1	1	0
September 2020	312	35	34	0

SEVERITY: TECHNICAL	FINDING NO. 11 LEAVE ACTIVITY AND CORRECTION CERTIFICATION FORMS WERE NOT COMPLETED FOR ALL LEAVE RECORDS REVIEWED
--------------------------------	---

Summary: The CDTFA, on behalf of the BOE, failed to provide completed Leave Activity and Correction Certification forms for all eight units reviewed during the July, August, and September 2020 pay periods.

Criteria: Departments are responsible for maintaining accurate and timely leave accounting records for their employees. (Cal. Code Regs., tit. 2, § 599.665.) Departments shall identify and record all errors found using a Leave Activity and Correction form. (Human Resources Manual Section 2101.) Furthermore, departments shall certify that all leave records for the unit/pay period identified on the certification form have been reviewed and all leave errors identified have been corrected. (*Ibid.*)

Severity: Technical. Departments must document that they reviewed all leave inputted into their leave accounting system to ensure accuracy and timeliness. For post-audit purposes, the completion of Leave Activity and Correction Certification forms demonstrates compliance with CalHR policies and guidelines.

Cause: The CDTFA states that the forms were not completed due to human error resulting from staff turnover, vacancies, and increased workload for existing staff. The CDTFA further states that due to the pandemic, they had to retool their processes to function effectively in a telework environment while also undergoing a timekeeping digital signature project.

Corrective Action: Within 90 days of the date of this report, the CDTFA must submit to the SPB a written corrective action response which addresses the

corrections the department will implement to ensure that their monthly internal audit process is documented and that all BOE leave input is keyed accurately and timely. The CDTFA must incorporate completion of Leave Activity and Correction Certification forms for all BOE leave records even when errors are not identified or corrected. Copies of relevant documentation demonstrating that the corrective action has been implemented must be included with the corrective action response.

SEVERITY: VERY SERIOUS	FINDING NO. 12 INCORRECTLY POSTED LEAVE USAGE AND/OR LEAVE CREDIT
-----------------------------------	--

Summary: The CDTFA, on behalf of the BOE, did not correctly enter one timesheet into the Leave Accounting System during the August 2020 pay period. As a result, the employee 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 CDTFA states this finding was the result of human error and failure to use the Leave Activity and Correction Certification form.

Corrective Action: Within 90 days of the date of this report, the CDTFA 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.

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.*)

IN COMPLIANCE	FINDING NO. 13 NEPOTISM POLICY COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
----------------------	---

The CRU verified that the policy was disseminated to all staff and emphasized the BOE’s commitment to the state policy of recruiting, hiring and assigning employees on the basis of merit. Additionally, the BOE’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 COMPLIANCE	FINDING NO. 14 WORKERS' COMPENSATION PROCESS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
----------------------	---

The CRU verified that the CDTFA provides notice to the BOE employees to inform them of their rights and responsibilities under California's Workers' Compensation Law. The CDTFA, on behalf of the BOE, did not receive any workers' compensation claims during the review period.

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 38 permanent BOE employees to ensure that the department was conducting performance appraisals on an annual basis in accordance with applicable laws, regulations, policies and guidelines. These are listed below:

Classification	Date Performance Appraisals Due
Associate Governmental Program Analyst	9/1/2020
Associate Governmental Program Analyst	12/8/2020
Associate Governmental Program Analyst	7/31/2020
Associate Property Appraiser (Board of Equalization)	4/15/2020
Associate Property Appraiser (Board of Equalization)	6/1/2020

Classification	Date Performance Appraisals Due
Associate Property Appraiser (Board of Equalization)	6/2/2020
Associate Property Appraiser (Board of Equalization)	7/6/2020
Associate Property Auditor Appraiser (Board of Equalization)	7/1/2020
Associate Property Auditor Appraiser (Board of Equalization)	11/4/2020
Associate Property Auditor Appraiser (Board of Equalization)	1/8/2020
Associate Property Auditor Appraiser (Board of Equalization)	1/1/2020
Associate Property Auditor Appraiser (Board of Equalization)	7/26/2020
Associate Property Auditor Appraiser (Board of Equalization)	6/15/2020
Business Taxes Administrator II, Board of Equalization	7/1/2020
Business Taxes Administrator III, Board of Equalization	4/15/2020
Business Taxes Specialist II, Board of Equalization	2/8/2020
Business Taxes Specialist III, Board of Equalization	9/17/2020
Business Taxes Specialist III, Board of Equalization	5/1/2020
Hearing Reporter	1/21/2020
Information Officer II	3/4/2020
Office Technician (General)	5/30/2020
Office Technician (General)	6/6/2020
Office Technician (Typing)	6/13/2020
Office Technician (Typing)	10/1/2020
Research Data Supervisor I	1/1/2020
Senior Specialist Property Appraiser (Board of Equalization)	2/1/2020
Senior Specialist Property Appraiser (Board of Equalization)	10/1/2020
Senior Specialist Property Appraiser (Board of Equalization)	5/1/2020
Senior Specialist Property Appraiser (Board of Equalization)	10/8/2020
Senior Specialist Property Appraiser (Board of Equalization)	4/30/2020
Senior Specialist Property Auditor Appraiser (Board of Equalization)	6/7/2020
Senior Specialist Property Auditor Appraiser (Board of Equalization)	1/23/2020
Senior Specialist Property Auditor Appraiser (Board of Equalization)	10/22/2020
Staff Services Analyst (General)	12/1/2020
Staff Services Manager I	2/20/2020
Supervising Property Appraiser (Board of Equalization)	8/31/2020
Tax Auditor, Board of Equalization	3/20/2020
Tax Counsel III (Specialist)	3/28/2020

SEVERITY: SERIOUS	FINDING NO. 15 PERFORMANCE APPRAISALS WERE NOT PROVIDED TO ALL EMPLOYEES
------------------------------------	---

Summary: The BOE did not provide annual performance appraisals to any of the 38 employees reviewed after the completion of the employee’s probationary period.

Criteria: Appointing powers shall prepare performance reports and keep them on file as prescribed by department rule. (Gov. Code, § 19992.2, subd. (a).) Each supervisor, as designated by the appointing power, shall make an appraisal in writing and shall discuss with the employee overall work performance at least once in each twelve calendar months following the end of the employee's probationary period. (Cal. Code Regs., tit. 2, § 599.798.)

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

Cause: The BOE states that performance appraisals were not completed due to being a new agency with multiple vacancies in both middle and upper management ranks, as well as their existing managers and supervisors being faced with unprecedented workloads.

Corrective Action: Within 90 days of the date of this report, the BOE must submit to the SPB a written corrective action response which addresses the corrections the department will implement to ensure conformity with Government Code section 19992.2 and California Code of Regulations, title 2, section 599.798. Copies of relevant documentation demonstrating that the corrective action has been implemented must be included with the corrective action response.

DEPARTMENTAL RESPONSE

The BOE’s response is attached as Attachment 1.

SPB REPLY

Based upon the BOE's written response, the BOE and the CDTFA 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.



STATE OF CALIFORNIA

STATE BOARD OF EQUALIZATION

OFFICE OF EXECUTIVE DIRECTOR, BRENDA FLEMING
PO BOX 942879, SACRAMENTO, CALIFORNIA 94279-0073
1-916-274-3560 • FAX 1-916-285-0125
www.boe.ca.gov

TED GAINES
First District, Sacramento

MALIA M. COHEN
Second District, San Francisco

ANTONIO VAZQUEZ, CHAIRMAN
Third District, Santa Monica

MIKE SCHAEFER, VICE CHAIR
Fourth District, San Diego

BETTY T. YEE
State Controller

BRENDA FLEMING
Executive Director

May 12, 2021

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

Dear Ms. Ambrose:

The State Board of Equalization (BOE) acknowledges the findings in the draft State Personnel Board Compliance Review Report received on April 28, 2021. The BOE would like to thank the Compliance Review Unit for their professionalism and flexibility during this review and appreciates the opportunity to respond to the findings.

BOE takes our responsibilities seriously and we remain committed to correcting all deficiencies within our direct control. In 1879, the BOE was established under the California Constitution to perform property tax administration duties responsible for the assessment of interconnected railroads and ensuring that county property tax assessment practices were equal and uniform throughout the state. Over the years, many other tax programs were added to the BOE's responsibilities, including the Tax on Alcoholic Beverages and the Tax on Insurers programs. The total number of tax and fee programs charged to the BOE grew to over 30 through June 30, 2017. Prior to July 1, 2017, the BOE employed over 4,800 employees who carried out BOE's mission, goals, and directives, including the administration of the agency.

Effective July 1, 2017, resulting from the Taxpayer Transparency and Fairness Act of 2017, Chapter 16, Statutes of 2017 (Assembly Bill (AB) 102 of 2017), the California Department of Tax and Fee Administration (CDTFA) assumed all of the BOE's statutory tax and fee programs and retained all former BOE administrative functions, resources, and staffing.¹ Additionally, the statute directed CDTFA to provide BOE's administrative, human resources and personnel, and information technology functions.²

As a result of the statute, the BOE was restructured into a small state agency with fewer staff (approximately 200 employees), a reduced scope of tax programs, no direct control over its state administration functions, and no human resource professional staff resources or systems. These functions and resources were transferred to the CDTFA.

¹ California Government Code Section 15570.22

² California Government Code Section 15570.28

Ms. Suzanne M. Ambrose

2

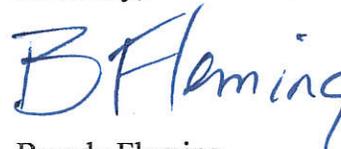
May 12, 2021

As of November 2017, the State Personnel Board completed a special investigation of personnel practices of the BOE covering periods prior to the restructure. As a result of the investigation, the BOE was placed on permanent restriction for all personnel related activities. These services and activities are exclusively provided by CDTFA.

Therefore, the subsequent information describes the actions that each responsible party, CDTFA and/or BOE, has taken or plans to take to improve practices related to the findings identified in the report.

Once again, we appreciate the opportunity to provide a response to the draft State Personnel Board Compliance Review Report. Both BOE and CDTFA are dedicated public servants who continue to strive to improve our processes. Should you have any questions or need additional information, please contact Lisa Renati, Chief Deputy Director at 1-916-274-3563 or Lisa.Renati@boe.ca.gov.

Sincerely,



Brenda Fleming
Executive Director

BF/lmr

Board of Equalization
Response to SPB Compliance Review Report:
Summary of Findings and Responses
May 12, 2021

Finding No. 1 Examinations: Complied with Civil Service Laws and Board Rules

Responsible Party: CDTFA

Response: No response required as the survey revealed no deficiencies in the examinations conducted by CDTFA during the review period.

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

Responsible Party: CDTFA / BOE

Cause: CDTFA did not have a formal system in place to provide BOE management with reminders or notification of probation due dates. BOE acknowledges a probation report was not provided by the prescribed due date for one probationary report. For the other listed finding, CDTFA Human Resource Bureau (HRB) provided BOE with a Notice of Personnel Action (NOPA) for a lateral transfer appointment which did not include a probationary period. Therefore, the BOE manager presumed no probationary period was required.

CDTFA Response: CDTFA's HRB recently created a Probation and Performance Appraisal Summary reporting application. This new tool is expected to be provided for BOE use in the third quarter 2021 and should significantly increase compliance in completing probationary reports and performance appraisal summaries by providing advance notice of upcoming due dates to BOE managers.

Finding No. 3 Equal Employment Opportunity: A Disability Advisory Committee Has Not been Established

Responsible Party: BOE

Cause: BOE's previous long-standing Disability Advisory Committee (DAC) remained with CDTFA with the split in July 2017. Actions to reestablish the DAC by the BOE's EEO office were paused when the EEO Officer position became vacant in the 1st quarter of 2020.

BOE Response: BOE hired an EEO Officer effective February 1, 2021. The reestablishment of the DAC is currently in progress.

Finding No. 4: Personal Services Contracts: Unions Were Not Notified of Personal Services Contracts

Responsible Party: CDTFA

Board of Equalization
Response to SPB Compliance Review Report:
Summary of Findings and Responses
May 12, 2021

Cause: CDTFA believed at the time of procurement, the Statement of Work did not require union notification as it was unclear when the conditions of notice stated in California Government Code, Section 19130 should be applied. The three (3) contracts listed in the Compliance Review Report as findings were procured for services that civil service employees could not perform.

Contract 2019-110022 with Pitney Bowes, Inc. was procured for a Stamp Machine Rental, as Pitney Bowes, Inc. is the sole provider to deliver mailing and stamp machine rental with the United States Postal Service. The equipment cannot be serviced by any other civil service employees.

Contract 2019-11025 with Time Printing Solutions Provider was procured for specialized custom resolution paper with gold foil and embossing. The civil service system does not have the equipment necessary to fulfill this request.

Contract 2020-11003 with Viking Shred, LLC was obtained to comply with IRS regulations for safeguarding confidential information. Neither CDTFA nor BOE owns confidential destruction bins nor have civil service employees who can perform the destruction or disposal. CDTFA and/or BOE does not have the equipment, transportation or tools to perform this service.

CDTFA Response: Due to staff turnover, CDTFA's internal processes for notifying the unions of personal services contracts was not followed consistently. CDTFA has developed a pre-procurement process that will help to remediate the notification review and approval process for procurements made on behalf of BOE.

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

Responsible Party: CDTFA / BOE

Cause: Automated reminders were not established by CDTFA training staff and provided to BOE. Although CDTFA implemented a Learning Management System (LMS), the CDTFA training staff did not master the functionality of the system, and reminder notifications of mandatory training due dates, including Ethics Training, were not sent timely to all Statement of Economic Interest (SEI) filers.

CDTFA Response: CDTFA implemented a new LMS which offers robust functionality, including training reminders. The CDTFA team is working with their internal Technology Services Division to utilize this functionality to the fullest to better track mandatory training compliance data for BOE. Additionally, beginning April 2021 CDTFA / BOE established a biannual training cycle, placing all staff on the same cycles and due dates, enabling easier notification and tracking of training completion.

BOE Response: The majority of new and existing SEI filers completed the mandated ethics training timely. However, the BOE acknowledges that five (5) employees completed the training late. At this time, the final outstanding employee, a retired annuitant, deemed out-of-compliance

Board of Equalization
Response to SPB Compliance Review Report:
Summary of Findings and Responses
May 12, 2021

will immediately complete the required training. The BOE has augmented their internal onboarding process for new hires / appointments to include confirmation of enrollment in mandated ethics training.

Finding No. 6 Mandated Training: Sexual Harassment Prevention Training Was Not Provided for All Supervisors

Responsible Party: CDTFA / BOE

Cause: CDTFA changed LMS platforms and the archived LMS did not have the capability to track training and enable notifications for BOE supervisors and managers for upcoming training due dates.

CDTFA Response: CDTFA implemented a new LMS which offers robust functionality, including training reminders. The CDTFA team is working with their internal Technology Services Division to utilize this functionality to the fullest to better track mandatory training compliance data for BOE.

BOE Response: The BOE acknowledges the review noted a single finding of a newly appointed manager who completed the mandated training late. The BOE has augmented their internal onboarding process for newly appointed supervisors / managers to include confirmation of enrollment in mandated training.

Finding No. 7 Compensation and Pay: Incorrect Application of Compensation Laws, Rules, and CalHR Policies and Guidelines for Appointment

Responsible Party: CDTFA

Cause: Salary determinations are provided by CDTFA's HRB on behalf of the BOE. In the two noted cases, human errors were made in these complex calculations.

CDTFA Response: Correction of identified salary errors for two noted cases was completed March 18, 2021. CDTFA managers and supervisors have enacted secondary reviews to ensure accurate compliance for all personnel transactions and calculations.

Finding No. 8 Leave: Pay Differential Authorization Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines

Responsible Party: CDTFA

Board of Equalization
Response to SPB Compliance Review Report:
Summary of Findings and Responses
May 12, 2021

Response: No response required as the SPB survey revealed no deficiencies in the pay differential authorized by CDTFA HRB on behalf of BOE during the review period.

Finding No. 9 Leave: Positive Paid Employees' Tracked Hours Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines

Responsible Party: CDTFA

Response: No response required as the SPB survey revealed no deficiencies. The CDTFA, on behalf of BOE, provided sufficient justification and adhered to applicable laws, regulations and CalHR policy and guidelines for positive paid employees.

Finding No. 10 Leave: Administrative Time Off Authorizations Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines

Responsible Party: CDTFA

Response: No response required as the SPB survey revealed no deficiencies. The CDTFA, on behalf of BOE, provided proper documentation justifying the use of ATO and adhered to applicable laws, regulations and CalHR policy and guidelines.

Finding No. 11 Leave: Activity and Correction Certification Forms Were Not Completed for All Leave Records Reviewed

Responsible Party: CDTFA

Cause: In the noted cases, human errors were made by CDTFA HRB staff. CDTFA's process is to conduct a secondary review using the Leave Activity and Correction Certification form; however, during that period, CDTFA's Transactions Section experienced a series of challenges. This included a high number of staff turnover and vacancies, leading to many employees having to handle additional work during the staffing shortage and the training of new Personnel Specialists which needed to be done remotely due to the pandemic. In addition, CDTFA had to retool its processes to function effectively in a telework environment while also undergoing a timekeeping digital signature project. As a result, the secondary reviews were not conducted.

Response: CDTFA's Transactions Section Management has met with CDTFA staff to ensure they meet the monthly requirement to audit all timesheets, document all errors, and make corrections as necessary. CDTFA managers and supervisors have also been assisting the CDTFA Personnel Specialists with the secondary reviews to ensure compliance. Completion of Leave Activity and Correction Certification forms for all noted transactions has been completed.

Board of Equalization
Response to SPB Compliance Review Report:
Summary of Findings and Responses
May 12, 2021

Finding No. 12 Leave: Incorrectly Posted Leave Usage and/or Leave Credit

Responsible Party: CDTFA

Cause: In the noted case, human error was made by CDTFA HRB for the single finding. CDTFA is responsible for auditing timesheets, processing leave, issuing leave accruals, and conducting secondary reviews of the timesheets for BOE. CDTFA did not correctly enter one BOE timesheet into the Leave Accounting System (LAS) during the August 2020 pay period, causing the employee to retain their prior leave balance despite using leave credits. If the CDTFA followed the process to conduct a secondary review of the timesheets using the Leave Activity and Correction Certification form, this error would have been discovered and corrected. CDTFA's process is to conduct a secondary review using the Leave Activity and Correction Certification form; however, due to staff turnover and vacancies, a large number of retirements, learning to train new Personnel Specialists remotely, along with trying to automate and navigate remote processes due to the pandemic, and covering absences due to the pandemic, the secondary reviews were not conducted.

CDTFA Response: CDTFA's Transactions Section management has met with CDTFA staff to ensure they meet the monthly requirement to audit all timesheets, document all errors, and make corrections as necessary. CDTFA managers and supervisors have also been assisting the CDTFA's Personnel Specialists with the secondary reviews to ensure compliance. Correction made to account for leave credits used by employee.

Finding No. 13 Policy: Nepotism Policy Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines

Responsible Party: BOE

Response: No response required as the SPB survey revealed no deficiencies or issues. The BOE's Nepotism policy is comprised of specific and sufficient components intended to prevent favoritism, or bias, based on a personal relationship from unduly influencing employment decisions. Annual nepotism training conducted for all staff. BOE nepotism policy disseminated to all BOE staff emphasizes that the BOE is committed to the state's policy of recruiting, hiring and assigning employees on the basis of merit.

Finding No. 14 Policy: Workers' Compensation Process Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines

Responsible Party: CDTFA

Board of Equalization
Response to SPB Compliance Review Report:
Summary of Findings and Responses
May 12, 2021

Response: None required as no deficiencies noted. The CDTFA, on behalf of BOE, provided notice to BOE employees to inform them of their rights and responsibilities under California's Workers' Compensation Law.

Finding No. 15 Policy: Performance Appraisals Were Not Provided to All Employees

Responsible Party: BOE

Cause: The BOE acknowledges that Performance Appraisals were not conducted for the 38 identified employees. As a new agency with multiple vacancies in both middle and upper management ranks, our managers and supervisors were faced with unprecedented workloads and yearly appraisals were not completed.

BOE Response: BOE is committed to providing all staff with yearly performance appraisal reports. CDTFA's HRB recently created a Probation and Performance Appraisal Summary reporting application. This new tool should significantly increase compliance in completing performance appraisal summaries by providing advance notice of upcoming due dates. BOE management is committed to providing performance appraisals for the identified employees by June 30, 2021, and the effort to meet this goal is underway.

The Corrective Action Response (CAR) is an opportunity for departments to demonstrate necessary steps have been implemented to correct the non-compliant Findings (deficiency) found as a result of the Compliance Review.

For each non-compliant Finding, refer to the Corrective Action section of that Finding in the review report. Copies of relevant documentation demonstrating that the Corrective Action has been or is in the process of being corrected must be included with the CAR. Examples include, but are not limited to, updated internal policies or procedures (should be included for most findings), a training log for mandated training, and/or any new or updated forms, plans, or documents that have been implemented.

CORRECTIVE ACTION RESPONSE

DEPARTMENT: State Board of Equalization (BOE)	BRANCH/DIVISION/PROGRAM: California Department of Tax & Fee Administration, Human Resources Bureau (CDTFA-HRB)
CONTACT PERSON (NAME AND TITLE): Lisa Renati, Chief Deputy Director, State Board of Equalization	CORRECTIVE ACTION RESPONSE DATE: August 31, 2021

FINDING (DEFICIENCY) BY NUMBER	ACTION ITEM(S) ALREADY OR TO BE COMPLETED	TIMEFRAME(S)	POLICY/PROCEDURE
Finding as stated in the report, by number	Description of 1) completed or planned corrective action(s) and 2) of supporting documentation	Actual or Estimated Completion Date	Is a copy of the updated Policy or Procedure Included?
Finding 2: Probationary evaluations were not provided for all appointments reviewed and those that were reviewed untimely	<p>Corrective Actions in Progress: BOE has set an expectation that all probationary reports must be submitted timely. The importance of completing probationary reports continues to be emphasized in BOE leadership and management meetings.</p> <p>CDTFA-HRB collaborated with CDTFA's Technology Services Division (TSD) to create a Probation and Performance Appraisal Summary reporting application. This application will be provided to BOE as a pilot project in Fall 2021 with the anticipation of BOE agency-wide use by November 1, 2021. This new tool is expected to significantly increase the timely completion of probationary reports and performance appraisal summaries.</p> <p>CDTFA-HRB Performance Management Section employees will monitor the application weekly. BOE leadership will monitor and review monthly.</p> <p>To ensure compliance with due dates, the application provides the following features:</p> <p>BOE Supervisors and Managers</p> <ul style="list-style-type: none"> • The application provides a portal for uploading completed probation reports. • The application provides reminders to supervisors approximately 60 and 30 days prior to the date the probationary report is due. 	Estimated completion date: Fall 2021	

FINDING (DEFICIENCY) BY NUMBER	ACTION ITEM(S) ALREADY OR TO BE COMPLETED	TIMEFRAME(S)	POLICY/PROCEDURE
	<ul style="list-style-type: none"> The application lists all probation dates for every eligible employee with indicators for upcoming probationary reports due, timely probationary reports filed (complete with no errors), incomplete probationary reports (past due date and not yet filed), and late probationary reports (complete but not timely). Division managers and executive leadership are able to regularly generate reports to view the report status of divisions, departments, or by supervisor. The application provides reporting functionality for identifying timely and late reports for a division or department. <p>CDTFA Human Resources Bureau</p> <ul style="list-style-type: none"> Ability to monitor all probation reports and filter data as needed. Notification of all probation and Performance Appraisal Summary (PAS) reports uploaded to the application. Ability to review reports for completion and notify the supervisor or manager of omissions or errors. Ability to download the completed report to include with the employee's official personnel file (OPF). Once a probationary report is completed, the application automatically sets the due date for the next probationary report or annual performance appraisal. <p>Procedure Update CDTFA-HRB is in the process of composing new procedures for the Probation and Performance Appraisal Summary reporting application. Once complete, copies will be shared with Labor Relations for review. The final procedure update will be incorporated into BOE policy and distributed electronically to all BOE employees.</p>	<p>Estimated completion date: Fall 2021</p>	<p>No. Procedure update in process by CDTFA-HRB</p>
<p>Finding 3: A Disability Advisory Committee Has Not Been Established.</p>	<p>Completed Corrective Actions: BOE has established a Disability Advisory Committee (DAC) with five (5) committee members where updated bylaws were discussed. The DAC convened their first committee meeting in July 2021. A DAC event, with a keynote speaker, for all agency employees was held on August 26, 2021.</p> <p>Supporting Documentation: Attachment – A</p> <ul style="list-style-type: none"> DAC July 2021 meeting agenda (with roster) DAC July 2021 meeting minutes August 2021 DAC event flyer DAC August 2021 meeting agenda (with roster) 	<p>Completed: July 2021</p>	

FINDING (DEFICIENCY) BY NUMBER	ACTION ITEM(S) ALREADY OR TO BE COMPLETED	TIMEFRAME(S)	POLICY/PROCEDURE
<p>Finding 4: Unions Were Not Notified of Personal Services Contracts</p>	<p>Completed Corrective Actions: CDTFA's Acquisitions Branch and the Labor Relations Office developed a pre-procurement process to remediate the noted deficiencies in the notification review and approval process. An email was sent to BOE on March 26, 2021 with a copy of CDTFA's revised Acquisitions Guide, which includes new section 2.4.5, <i>Labor Relations Office (LRO) Notification Process</i>. The new procedure requires requestors to obtain LRO approval in BAS (the CDTFA's internal electronic acquisition system) when submitting a requisition of personal services contracts. If there is not an LRO approval on the BAS request, the Acquisitions Branch will not approve the contract and will return the BAS request to the requestor.</p> <p>Supporting Documentation Attachment – B</p> <ul style="list-style-type: none"> • Email to BOE • Acquisitions Guide Section 2.4.5 	<p>Completed: March 26, 2021</p>	
<p>Finding 5: Ethics Training Was Not Provided for All Filers</p>	<p>Completed Corrective Actions: BOE Executive Management sent an email on 9/30/2020 to notify all SEI fillers that they must complete Ethics Training by 10/16/2020. Leadership then followed up with individual employees to ensure compliance. BOE On-Boarding Procedure for all new employees was updated to require completion of Ethics Training within the first weeks of employment.</p> <p>Corrective Actions in Progress: To improve compliance with departmental and state-mandated trainings, a comprehensive agency-wide training plan is being finalized to include a schedule of training classes required agency-wide by period. Use of a standard training schedule will ensure all staff are included on the same reporting cycle.</p>	<p>Completed: 6/30/2021</p> <p>Estimated completion date: December 2021</p>	
<p>Finding 6: Sexual Harassment Prevention Training Was Not Provided for All Supervisors</p>	<p>Completed Corrective Actions: BOE Executive Management sent an email on 9/30/2020 to notify all employees that they must complete Sexual Harassment Prevention Training by 10/16/2020. Leadership then followed up with individual employees to ensure compliance. BOE On-Boarding Procedure for all new employees was updated to require completion of Sexual Harassment Prevention Training within the first weeks of employment or promotion into supervisory positions.</p> <p>Corrective Actions in Progress: To improve compliance with departmental and state-mandated trainings, a comprehensive agency-wide training plan is being finalized to include a schedule of training classes required agency-wide by period. Use of a standard training schedule will ensure all staff are included on the same reporting cycle.</p>	<p>Completed: 6/30/2021</p> <p>Estimated completion date: Fall 2021</p>	

FINDING (DEFICIENCY) BY NUMBER	ACTION ITEM(S) ALREADY OR TO BE COMPLETED	TIMEFRAME(S)	POLICY/PROCEDURE
<p>Finding 7: Incorrect Application of Salary Determination Laws, Rules, and CalHR Policies and Guidelines for Appointment</p>	<p>Completed Corrective Actions: CDTFA-HRB conducted the two (2) salary determinations noted in the review. Corrections to the salary in the State Controller's Office (SCO) database were made and the 674 AR (Accounts Receivable) forms were submitted to SCO to establish the ARs. Once SCO established the ARs, CDTFA will send the AR Notification letters to the two employees to begin collection of the overpayments.</p> <p>Corrective Actions in Progress: CDTFA's Transactions Section will provide additional training and procedures to all CDTFA-HRB employees including Salary Determination training and evaluations.</p> <p>Supporting Documentation Attachment – C Corrected Salary Determinations for two errors noted in review.</p>	<p>Completed: July 2021 Salary determination, correction, and AR notification</p> <p>Currently in progress: Salary determination training</p>	
<p>Finding 11: Leave Activity and Correction Certification Forms were Not Completed for All Leave Records Reviewed</p>	<p>Completed Corrective Actions: Effective with the May 2020 pay period, all completed BOE timesheets are uploaded into a shared drive accessible by both BOE and CDTFA-HRB staff. Effective with the January 2021 pay period, CDTFA-HRB updated their processes so that the BOE timesheets are uploaded into CDTFA's timekeeping application. CDTFA-HRB's Personnel Specialists are able to view timesheets within the application to conduct leave audits and appropriate reviews.</p> <p>Corrective Actions in Progress: CDTFA-HRB will provide access to the timekeeping application to all BOE staff. BOE's use of the application will eliminate any errors or omissions which could occur with the current process. A pilot of the timekeeping application will be provided to limited BOE staff and then agency-wide use by December 2021.</p>	<p>Completed: January 2021</p> <p>Estimated Completion Date: October – December 2021</p>	
<p>Finding 12: Incorrectly Posted Leave Usage And/Or Leave Credit</p>	<p>Completed Corrective Actions: CDTFA-HRB's transactions employees have been instructed to utilize the online SCO California Leave Accounting System (CLAS) Manual and internal SMEs have been identified to provide guidance and assistance. In addition, staff have designated backups who perform leave audits and reviews via the Leave Activity and Correction Certification forms. The use of a secondary review system should eliminate incorrect leave usage and/or leave credit errors.</p> <p>Supporting Documentation Attachment – D BOE-634, Attendance Summary for single error noted in review.</p>	<p>Completed: May 2021</p>	

FINDING (DEFICIENCY) BY NUMBER	ACTION ITEM(S) ALREADY OR TO BE COMPLETED	TIMEFRAME(S)	POLICY/PROCEDURE
<p>Finding 15: Performance Appraisals Were Not Provided to All Employees</p>	<p>Completed Corrective Actions Performance appraisals were completed for every agency employee (excluding those on probation). BOE has set an expectation that performance appraisals must be submitted timely. The importance of completing meaningful performance appraisals and probationary reports continues to be emphasized in BOE leadership and management meetings.</p> <p>Corrective Actions in Progress: CDTFA-HRB collaborated with CDTFA's Technology Services Division (TSD) to create a Probation and Performance Appraisal Summary reporting application. This application will be provided to BOE as a pilot project in Fall 2021, with the anticipation of BOE agency-wide use by November 1, 2021. This new tool is expected to significantly increase the timely completion of probationary reports and performance appraisal summaries.</p> <p>CDTFA-HRB Performance Management Section employees and BOE Leadership will monitor the application. To ensure compliance with due dates, the application provides the following features:</p> <p>BOE Supervisors and Managers</p> <ul style="list-style-type: none"> • The application provides a portal for uploading completed performance appraisal summaries. • The application provides reminders to supervisors approximately 60 and 30 days prior to the date the report is due. • The application provides performance appraisal summary dates for every eligible employee with indicators for upcoming performance appraisal summary reports due, timely performance appraisal summary reports filed (complete with no errors), incomplete performance appraisal summary reports (past due date and not yet filed), and late performance appraisal summary reports (complete but not timely). • Division managers and executive leadership are able to generate reports and view the report status of divisions, departments or by supervisor. • The application allows for reporting functionality for identifying timely and late reports for a division or department. <p>CDTFA Human Resources Bureau</p> <ul style="list-style-type: none"> • Ability to monitor all performance appraisal summary reports and filter data as needed. • Notification of all performance appraisal summary reports uploaded to the application. • Ability to review reports for completion and notify the supervisor or manager of omissions or errors. • Ability to download the completed report for filing in the employee's official personnel file (OPF). • Once a performance appraisal summary report is completed, the application automatically sets the due date for the next annual appraisal summary. 	<p>Completed: June 2021</p> <p>Estimated completion date: Fall 2021</p>	<p>No. Written policy update in process by BOE.</p> <p>No. Procedure update in process by CDTFA-HRB</p>

