



COMPLIANCE REVIEW REPORT

CALIFORNIA SCIENCE CENTER OFFICE OF EXPOSITION PARK MANAGEMENT CALIFORNIA AFRICAN AMERICAN MUSEUM

Compliance Review Unit
State Personnel Board
September 14, 2023

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INTRODUCTION

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

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

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

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

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

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

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

EXECUTIVE SUMMARY

The CRU conducted a routine compliance review of the California Science Center (CSC), the Office of Exposition Park Management (OEPM), and the California African American Museum (CAAM) 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	Examination Complied with Civil Service Laws and Board Rules
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 ¹
Mandated Training	Very Serious	Supervisory Training Was Not Provided For All Supervisors, Managers, and CEAs ²
Mandated Training	Very Serious	Sexual Harassment Prevention Training Was Not Provided for All Employees ³
Compensation and Pay	In Compliance	Salary Determinations Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines
Compensation and Pay	In Compliance	Hire Above Minimum Request Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines

¹ Repeat finding. The CSC's, OEPM's, and CAAM's July 31, 2020, compliance review report identified that the unions were not notified of 23 PSC's.

² Repeat finding for CAAM. CAAM's July 31, 2020, compliance review report identified that one of six new supervisors did not receive leadership training as mandated by Government Code.

³ Repeat finding. The CSC's, OEPM's, and CAAM's July 31, 2020, compliance review report identified that the CSC did not provide sexual harassment prevention training to five new supervisors, and both the OEPM and CAAM did not provide training to one new supervisor within six months of appointment. In addition, the CSC did not provide sexual harassment prevention training to three existing supervisors, and the CAAM did not provide training to five existing supervisors every two years.

Area	Severity	Finding
Compensation and Pay	In Compliance	Pay Differential Authorizations Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines
Leave	In Compliance	Administrative Time Off Authorizations Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Leave	In Compliance	Leave Auditing and Timekeeping Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Leave	In Compliance	Leave Reduction Plans Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines
Leave	In Compliance	Service and Leave Transactions Complied with Civil Service Laws, Board Rules, and/or 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
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 CSC, OEPM, and CAAM are located in Exposition Park, a 160-acre tract situated South of Downtown Los Angeles. All three departments are collectively known as Exposition Park to the state control agencies.

The OEPM provides long-term leadership in the development and implementation of the park usage policy and day-to-day management, operation, and promotion of the park for its tenants and the public. Within the OEPM, the Department of Public Safety consists of state law enforcement personnel including officers and dispatch clerks which make up sixty-nine percent (69%) of OEPM's workforce.

CAAM, the first African American museum of art, history, and culture fully supported by a state, is a tangible recognition by the State of California of the critically important role African Americans have played in the American West's cultural, economic, and political development.

The CSC, a world-class science museum, develops and features award-winning exhibits and internationally renowned education programs. Annual visitor attendance averaged 2.1 million visitors, before the 2020 pandemic. The CSC has 118 positions, and provides the OEPM (39 positions), as well as the CAAM (19 positions), with certain budget, human resources, and accounting services. The CSC's workforce includes executive, managerial, supervisory, and administrative classifications, however, rank-and-file facility maintenance and skilled trades represent approximately fifty-one percent (51%) of its workforce.

SCOPE AND METHODOLOGY

The scope of the compliance review was limited to reviewing the CSC, OEPM, and CAAM's examinations, appointments, EEO program, PSC's, mandated training, compensation and pay, leave, and policy and processes⁴. The primary objective of the review was to determine if the CSC, OEPM, and CAAM'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 CSC, OEPM, and CAAM's examinations was selected for review to ensure that samples of various examination types, classifications, and levels were reviewed. The CRU examined the documentation that the CSC, OEPM, and CAAM provided, which included examination plans, examination bulletins, job analyses, and scoring results.

The CSC, OEPM, and CAAM did not conduct any permanent withhold actions during the compliance review period.

A cross-section of the CSC, OEPM, and CAAM's appointments was selected for review to ensure that samples of various appointment types, classifications, and levels were reviewed. The CRU examined the documentation that the CSC, OEPM, and CAAM provided, which included Notice of Personnel Action forms, Request for Personnel

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

Actions, vacancy postings, certification lists, transfer movement worksheets, employment history records, correspondence, and probation reports. The CSC, OEPM, and CAAM did not conduct any unlawful appointment investigations during the compliance review period. Additionally, the CSC, OEPM, and CAAM did not make any additional appointments during the compliance review period.

The CSC, OEPM, and CAAM's appointments were also selected for review to ensure the CSC, OEPM, and CAAM applied salary regulations accurately and correctly processed employees' compensation and pay. The CRU examined the documentation that the CSC, OEPM, and CAAM provided, which included employees' employment and pay history and any other relevant documentation such as certifications, degrees, and/or the appointee's application. Additionally, the CRU reviewed specific documentation for the following personnel functions related to compensation and pay e.g., hire above minimum (HAM) requests, and monthly pay differentials.

During the compliance review period, the CSC, OEPM, and CAAM did not issue or authorize red circle rate requests, arduous pay, bilingual pay, alternate range movements or out-of-class assignments.

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

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

⁵If an employee organization requests the SPB to review any personal services contract during the SPB compliance review period or prior to the completion of the final compliance review report, the SPB will not audit the contract. Instead, the SPB will review the contract pursuant to its statutory and regulatory process. In this instance, none of the reviewed PSC's were challenged.

The CRU also identified the CSC, OEPM, and CAAM's employees whose current annual leave, or vacation leave credits, exceeded established limits. The CRU reviewed a cross-section of these identified employees to ensure that employees who have significant "over-the-cap" leave balances have a leave reduction plan in place. Additionally, the CRU asked the CSC, OEPM, and CAAM to provide a copy of their leave reduction policy.

The CRU reviewed the CSC, OEPM, and CAAM'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 CSC, OEPM, and CAAM'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 CSC, OEPM, and CAAM'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 CSC, OEPM, and CAAM employees who used Administrative Time Off (ATO) in order to ensure that ATO was appropriately administered. Further, the CRU reviewed a selection of CSC, OEPM, and CAAM positive paid employees whose hours are tracked during the compliance review period in order to ensure that they adhered to procedural requirements.

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

On August 10, 2023, an exit conference was held with the CSC, OEPM, and CAAM to explain and discuss the CRU's initial findings and recommendations. The CRU received and carefully reviewed the CSC, OEPM, and CAAM's written response on September 6, 2023, which is attached to this final compliance review report.

FINDINGS AND RECOMMENDATIONS

Examinations

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

During the period under review, September 1, 2021, through May 31, 2022, the CSC, OEPM, and CAAM conducted one examination. The CRU reviewed the examination, which is listed below:

Classification	Exam Type	Exam Component	Final File Date	No. of Apps
Career Executive Assignment (CEA)	CEA	Statement of Qualifications ⁶	1/28/2022	1

⁶ In a Statement of Qualifications examination, applicants submit a written summary of their qualifications and experience related to a published list of desired qualifications. Raters, typically subject matter experts, evaluate the responses according to a predetermined rating scale designed to assess their ability to perform in a job classification, assign scores and rank the competitors in a list.

IN COMPLIANCE	FINDING NO. 1 EXAMINATIONS COMPLIED WITH CIVIL SERVICE LAWS AND BOARD RULES
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The CRU reviewed one CEA examination which the CSC administered to create an eligible list from which to make the appointment. The CSC published and distributed the examination bulletin containing the required information for the examination. The application received by the CSC was accepted prior to the final filing date. The applicant was notified about the next phase of the examination process. After all phases of the examination process were completed, the score of the competitor was computed, and a list was established. The examination results listed the name of successful competitor in order of the score received by rank. The CRU found no deficiencies in the examination that the CSC conducted during the compliance review period.

Appointments

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

During the period under review, June 1, 2021, through February 28, 2022, the CSC, OEPM, and CAAM made 25 appointments. The CRU reviewed 10 of those appointments, which are listed below:

Classification	Appointment Type	Tenure	Time Base	No. of Appts.
Building Maintenance Worker	Certification List	Permanent	Full Time	1
Dispatcher Clerk	Certification List	Permanent	Full Time	1
Museum Security Officer	Certification List	Permanent	Full Time	3

Classification	Appointment Type	Tenure	Time Base	No. of Appts.
Personnel Specialist	Certification List	Permanent	Full Time	1
Stationary Engineer	Certification List	Permanent	Full Time	1
Associate Governmental Program Analyst	Reinstatement	Permanent	Full Time	1
Administrator, Science Program	Retired Annuitant	Temporary	Intermittent	1
Associate Governmental Program Analyst	Retired Annuitant	Temporary	Intermittent	1

SEVERITY: SERIOUS	FINDING NO. 2 PROBATIONARY EVALUATIONS WERE NOT TIMELY
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Summary: The CSC, OEPM, and CAAM together had a total of 10 appointments. The OEPM did not provide in a timely manner 2 probationary reports of performance for 1 of the 5 appointments reviewed by the CRU, as reflected in the table below.

Classification	Appointment Type	No. of Appointments	Total No. of Late Probation Reports
Dispatcher Clerk	List Appointment	1	2

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 OEPM states that the delay in providing timely probationary reports was due to inconsistent supervisory coverage and staff turnover.

Corrective Action: Within 90 days of the date of this report, the OEPM 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 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 CSC, OEPM, and CAAM, the EEO Officer may be the Personnel Officer.

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

appropriate steps to ensure that the final committee is comprised of members who have disabilities or who have an interest in disability issues. (Gov. Code, § 19795, subd. (b)(2).)

IN COMPLIANCE	FINDING NO. 3 EQUAL EMPLOYMENT OPPORTUNITY PROGRAM COMPLIED WITH ALL CIVIL SERVICE LAWS AND BOARD RULES
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After reviewing the policies, procedures, and programs necessary for compliance with the EEO program’s role and responsibilities according to statutory and regulatory guidelines, the CRU determined that the CSC, OEPM, and CAAM’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 CSC, OEPM, and CAAM. The CSC, OEPM, and CAAM 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, September 1, 2021, through May 31, 2022, the CSC, OEPM, and CAAM had 220 PSC's that were in effect. The CRU reviewed 52 of those, which are listed below:

Vendor	Services	Contract Amount	Justification Identified?	Union Notification?
AC Energy Systems, Inc.	Maintenance and calibration of 84 carbon monoxide sensors.	\$5,167	Yes	No
ACCES, Inc.	Plans and permits for changing sensors in fuel tanks	\$1,800	Yes	No
ACCES, Inc.	A1 to add \$1,100 for permit	\$1,800	Yes	Yes
All American Lock	Replace inoperable gate motor operator and bracket	\$4,295	Yes	No
All American Lock	Repair inoperable automatic door	\$2,182	Yes	Yes
Allison Mechanical Inc.	Chiller module replacement and programming	\$2,636	Yes	Yes
American Cleaning and Restoration, Inc. DBA American Carpet Cleaning	Imax upholstery cleaning services	\$24,804	Yes	Yes
Bio SoCal	Human fluid clean up services	\$1,895	Yes	Exempt ⁷
Blue Violet Networks, LLC	Security camera equipment maintenance services	\$40,000	Yes	Yes
California Science Center Foundation	Guest services	\$16,259,949	Yes	Yes
Cenbay Window Films	Window tint install	\$3,666	Yes	Yes

⁷ Exempt from Bidding: The Bio SoCal contract was an emergency acquisition exempt from bidding pursuant to Public Contract Code 1102. "Emergency," as used in this code, means a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.

Vendor	Services	Contract Amount	Justification Identified?	Union Notification?
Certify Global, Inc.	Certify.me cloud basic access	\$261	Yes	Yes
Commercial Food Service Repair, Inc. dba Tech 24	Repair dishwasher	\$687	Yes	No
Compressed Air Specialties, Inc.	Maintenance of air compressor	\$4,543	Yes	No
Compressed Air Specialties, Inc.	Air compression repair	\$605	Yes	No
Cooke and Associates, Inc.	P.O.S.T background investigation	\$9,999	Yes	No
DiPietro & Associates, Inc.	AED medical oversight services	\$2,832	Yes	No
Elevators Etc. GS, Inc.	Elevator & escalator maintenance	\$703,986	Yes	Yes
Elevators Etc. GS, Inc.	Annual conveyance permit certification	\$6,410	Yes	No
Eversoft	Inspect and troubleshoot a cooling tower's water softener	\$960	Yes	Yes
Eversoft	A1- to add \$3,145.32 to replace resin	\$4,105	Yes	Yes
Excel Door & Gate Company, Inc.	Repair doors on north side of CSC entrance	\$8,078	Yes	No
Freeman Professional Services	Notary services	\$1,000	Yes	No
Greenway Solid Waste & Recycling, Inc.	Haul away and dispose of 9 vehicles	\$8,224	Yes	No
HRDWRKER (Othniel Molina)	Video and photography	\$105,000	Yes	No

Vendor	Services	Contract Amount	Justification Identified?	Union Notification?
International Workers Compensation Foundation, Inc.	29th annual DWC conference	\$375	Yes	Yes
IVES Training and Compliance Group	Forklift certification training	\$790	Yes	Yes
J. Kim Electric, Inc.	Retrofit lighting in Imax theater	\$7,948	Yes	No
J. Kim Electric, Inc.	Wab lighting retrofit	\$51,498	Yes	Yes
J. Kim Electric, Inc.	Wab lighting retrofit	\$61,719	Yes	No
Jamison Engineering Contractors	Kelp tank balancing valve install	\$25,900	Yes	Yes
Julia Luke, Inc.	Creative design and graphics	\$157,250	Yes	No
L.A. ProPoint, Inc.	Artifact rigging repairs	\$24,631	Yes	Yes
Los Angeles Fire Systems	Fire alarm testing and certification	\$38,616	Yes	Yes
Marshall Security Training Academy & Range	Exposed firearms training, test material and qualification	\$6,682	Yes	No
McKendry Door Sales, Inc.	Assess and repair the roll up doors of orange structure	\$5,000	Yes	No
McKenna Engineering & Equipment Company	Inspect blower equipment	\$1,332	Yes	No
Occupation Health Centers of California, dba Concentra Medical Center	Pre-employment testing and exam services	\$9,999	Yes	Yes

Vendor	Services	Contract Amount	Justification Identified?	Union Notification?
Omni Concepts, Inc.	Inspect the air walls in locker	\$1,650	Yes	No
Pasadena Construction and Interiors	Epoxy coating for animal holding and vet room	\$5,900	Yes	Yes
Pasadena Construction and Interiors	Epoxy coating for vet room 158	\$2,495	Yes	No
Pitney Bowes	Mail machine services	\$4,250	Yes	Yes
Ralph Hudson, Inc. dba Ironwood	Refurbish cell lab exhibit tabletop	\$48,700	Yes	Yes
Security Management Systems, Inc.	Panic button security maintenance	\$628	Yes	No
Security Management Systems, Inc.	2 badge readers and installation	\$4,862	Yes	No
Shred Source, Inc.	Onsite shredding services	\$375	Yes	Yes
Sky Rider Equipment Company, Inc.	Inspect aerial basket	\$2,400	Yes	Yes
Sky Rider Equipment Company, Inc.	Maintenance suspension track in Imax	\$4,000	Yes	No
Stacey Ravel Abarbanel	Marketing and communications	\$24,000	Yes	Yes
Stacey Ravel Abarbanel	Marketing and communications	\$159,600	Yes	No
WonderLAN, Inc.	Network and systems administrator	\$95,000	Yes	No
Zaretsky Engineering Solutions	Testing and certification for two fume hoods	\$600	Yes	No

SEVERITY: SERIOUS	FINDING NO. 4 UNIONS WERE NOT NOTIFIED OF PERSONAL SERVICES CONTRACTS
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Summary: The CSC did not notify unions for 17 contracts, the OEPM did not notify unions for 6 contracts, and the CAAM did not notify unions for 4 contracts, prior to entering into the PSC's reviewed. This is the second consecutive time this has been a finding for these agencies.

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

Cause: The CSC, OEPM and CAAM state that the non-compliant contracts were not updated to reflect the correct anticipated start date; and contracts were executed the same day as the unions were notified.

SPB Reply: Unions must be notified PRIOR to the execution of the PSC to give them the opportunity to review before implementation.

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

Mandated Training

Each member, officer, or designated employee of a state agency who is required to file a statement of economic interest (referred to as "filers") because of the position he or she holds with the agency is required to take an orientation course on the relevant ethics statutes and regulations that govern the official conduct of state officials. (Gov. Code, §§

11146 & 11146.1.) State agencies are required to offer filers the orientation course on a semi-annual basis. (Gov. Code, § 11146.1.) New filers must be trained within six months of appointment and at least once during each consecutive period of two calendar years, commencing on the first odd-numbered year thereafter. (Gov. Code, § 11146.3.)

Upon the initial appointment of any employee designated in a supervisory position, the employee shall be provided a minimum of 80 hours of training, as prescribed by the CalHR. (Gov. Code, § 19995.4, subd. (b).) The training addresses such topics as the role of the supervisor, techniques of supervision, performance standards, and sexual harassment and abusive conduct prevention. (Gov. Code, §§ 12950.1, subds. (a) and (b), & 19995.4, subd. (b).) Additionally, the training must be successfully completed within the term of the employee's probationary period or within six months of the initial appointment, unless it is demonstrated that to do so creates additional costs or that the training cannot be completed during this time period due to limited availability of supervisory training courses. (Gov. Code, § 19995.4, subd. (c).)

Within 12 months of the initial appointment of an employee to a management or Career Executive Assignment (CEA) position, the employee shall be provided leadership training and development, as prescribed by CalHR. (Gov. Code, § 19995.4, subds. (d) & (e).) For management employees the training must be a minimum of 40 hours and for CEAs the training must be a minimum of 20 hours. (*Ibid.*)

New employees must be provided sexual harassment prevention training within six months of appointment. Thereafter, each department must provide its supervisors two hours of sexual harassment prevention training and non-supervisors one hour of sexual harassment prevention training every two years. (Gov. Code, § 12950.1, subds. (a) and (b); Gov. Code, § 19995.4.)

The Board may conduct reviews of any appointing power's personnel practices to ensure compliance with civil service laws and Board regulations. (Gov. Code, § 18661, subd. (a).) In particular, the Board may audit personnel practices related to such matters as selection and examination procedures, appointments, promotions, the management of probationary periods, and any other area related to the operation of the merit principle in state civil service. (*Ibid.*) Accordingly, the CRU reviews documents and records related to training that appointing powers are required by the afore-cited laws to provide its employees.

The CRU reviewed the CSC, OEPM, and CAAM's mandated training program that was in effect during the compliance review period, June 1, 2020, through May 31, 2022. The CSC, OEPM and CAAM's ethics training were found to be in compliance, while the

CAAM's supervisory training and sexual harassment prevention training was found to be out of compliance.

SEVERITY: VERY SERIOUS	FINDING NO. 5 SUPERVISORY TRAINING WAS NOT PROVIDED FOR ALL SUPERVISORS, MANAGERS, AND CEAS
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Summary: While the CSC and OEPM met the basic supervisory training requirements; the CAAM did not provide basic supervisory training to 1 of 6 new supervisors within 12 months of appointment. This is the second consecutive time this has been a finding for the CAAM.

Criteria: Each department must provide its new supervisors a minimum of 80 hours of supervisory training within the probationary period. (Gov. Code, § 19995.4, subd. (b).)

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

Cause: The CAAM states that it did not provide supervisory training during the incumbent's temporary assignment in the supervisory role. The department assumed supervisory training was not required for temporary appointments. The CAAM now understands that Gov. Code, § 19995.4 does not differentiate between temporary and permanent appointments.

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

SEVERITY: VERY SERIOUS	FINDING NO. 6 SEXUAL HARASSMENT PREVENTION TRAINING WAS NOT PROVIDED FOR ALL EMPLOYEES
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Summary: While the CSC and the OEPM met sexual harassment prevention training requirements, the CAAM did not provide sexual harassment

prevention training to 1 of 6 new supervisors within 6 months of their appointment. This is the second consecutive time this has been a finding for the CAAM.

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

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

Cause: The CAAM states that it did not provide sexual harassment prevention training during the incumbent's temporary assignment in the supervisory role. The department assumed sexual harassment prevention training was not required for temporary appointments. The CAAM now understands that Gov. Code, § 12950.1 does not differentiate between temporary and permanent appointments.

Corrective Action: Within 90 days of the date of this report, the CAAM must submit to the SPB a written corrective action response which addresses the corrections the department will implement to ensure that all employees are provided sexual harassment prevention training in accordance with Government Code section 12950.1. Copies of relevant documentation demonstrating that the corrective action has been implemented must be included with the corrective action response.

Compensation and Pay

Salary Determination

The pay plan for state civil service consists of salary ranges and steps established by CalHR. (Cal. Code Regs., tit. 2, § 599.666.) Several salary rules dictate how departments calculate and determine an employee’s salary rate⁸ upon appointment depending on the appointment type, the employee’s state employment and pay history, and tenure.

Typically, agencies appoint employees to the minimum rate of the salary range for the class. Special provisions for appointments above the minimum exist to meet special recruitment needs and to accommodate employees who transfer into a class from another civil service class and are already receiving salaries above the minimum.

During the period under review, June 1, 2021, through February 15, 2022, the CSC, OEPM, and CAAM made 25 appointments. The CRU reviewed 5 of those appointments to determine if the CSC applied salary regulations accurately and correctly processed employees’ compensation, which are listed below:

Classification	Appointment Type	Tenure	Time Base	Salary (Monthly Rate)
Building Maintenance Worker	Certification List	Permanent	Full Time	\$3957
Personnel Specialist I	Certification List	Permanent	Full Time	\$4289
Stationary Engineer	Certification List	Permanent	Full Time	\$6011
Associate Governmental Program Analyst	Permissive Reinstatement	Permanent	Full Time	\$38.88
Administrator, Science Program	Retired Annuitant	Temporary	Intermittent	\$55.38

IN COMPLIANCE	FINDING NO. 7 SALARY DETERMINATIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES
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The CRU found no deficiencies in the salary determinations that were reviewed. The CSC appropriately calculated and keyed the salaries for each appointment and correctly determined employees’ anniversary dates ensuring that subsequent merit salary adjustments will satisfy civil service laws, Board rules and CalHR policies and guidelines.

Hiring Above Minimum Requests

⁸ “Rate” is any one of the salary rates in the resolution by CalHR which establishes the salary ranges and steps of the Pay Plan (Cal. Code Regs., tit. 2, section 599.666).

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 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.⁹ (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 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.*)

⁹ 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.

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, June 1, 2021, through February 15, 2022, the CAAM, authorized 1 HAM request. The CRU reviewed this authorized HAM request to determine if the CAAM 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)
Program Manager	List Appointment	New to State	\$6,695 - \$8,319	\$7,030

IN COMPLIANCE	FINDING NO. 8	HIRE ABOVE MINIMUM REQUEST COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES
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The CRU found that the HAM request the CAAM made 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, June 1, 2021, through February 28, 2022, the CSC, OEPM, and CAAM authorized 17 pay differentials.¹⁰ The CRU reviewed 14 of these pay differentials to ensure compliance with applicable CalHR policies and guidelines. These are listed below:

Classification	Pay Differential	Monthly Amount
Chief Engineer	8PX3	\$664.74
Museum Security Officer	8LG1	\$104.16
Museum Security Officer	8LG1	\$104.16
Museum Security Officer	8LG3	\$312.48
Museum Security Officer	8EPH	\$75.00
Museum Security Officer	8EPJ	\$125.00
Museum Security Officer	8EPJ	\$125.00
Museum Security Officer	8EPJ	\$125.00
Museum Security Officer	8EPJ	\$125.00
Stationary Engineer	8EPA	\$100.00
Stationary Engineer	8EPA	\$100.00
Stationary Engineer	8EPA	\$100.00
Stationary Engineer	8EPA	\$100.00
Stationary Engineer	8EPA	\$100.00

IN COMPLIANCE	FINDING NO. 9	PAY DIFFERENTIAL AUTHORIZATIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES
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The CRU found no deficiencies in the pay differentials that the CSC, OEPM, and CAAM 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.

Leave

Positive Paid Employees

¹⁰ For the purposes of CRU’s review, only monthly pay differentials were selected for review at this time.

Actual Time Worked (ATW) is a method that can be used to keep track of a Temporary Authorization Utilization (TAU) employee's time to ensure that the Constitutional limit of 9 months in any 12 consecutive months is not exceeded. The ATW method of counting time is used to continue the employment status for an employee until the completion of an examination, for seasonal type work, while attending school, or for consulting services.

An employee is appointed TAU-ATW when he/she is not expected to work all the working days of a month. When counting 189 days, every day worked, including partial days¹¹ worked and paid absences¹², are counted. (Cal. Code Regs., tit. 2, § 265.1, subd. (b).) The hours worked in one day are not limited by this rule. (*Ibid.*) The 12-consecutive month timeframe begins by counting the first pay period worked as the first month of the 12-consecutive month timeframe. (*Ibid.*) The employee shall serve no longer than 189 days in a 12 consecutive month period. (*Ibid.*) A new 189-days working limit in a 12-consecutive month timeframe may begin in the month immediately following the month that marks the end of the previous 12-consecutive month timeframe. (*Ibid.*)

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

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

Additionally, according to Government Code section 21224, retired annuitant appointments shall not exceed a maximum of 960 hours in any fiscal year (July-June), regardless of the number of state employers, without reinstatement, loss or interruption of benefits.

At the time of the review, the CSC, OEPM and CAAM had 18 positive paid employees whose hours were tracked. The CRU reviewed 14 of those positive paid appointments to ensure compliance with applicable laws, regulations, policies and guidelines, which are listed below:

¹¹ For example, two hours or ten hours count as one day.

¹² For example, vacation, sick leave, compensating time off, etc.

Classification	Tenure	Time Frame	Time Worked
Administrator, Science Program, California Science Center	Retired Annuitant	Intermittent	65 Hours
Administrator, Science Program, California Science Center	Retired Annuitant	Intermittent	938 Hours
Guide II	Temporary	Intermittent	21 Hours
Guide II	Temporary	Intermittent	124 Hours
Guide II	Temporary	Intermittent	87 Hours
Guide II	Temporary	Intermittent	75 Hours
Guide II	Temporary	Intermittent	141 Hours
Guide II	Temporary	Intermittent	116 Hours
Guide II	Temporary	Intermittent	108 Hours
Guide II	Temporary	Intermittent	93 Hours
Guide II	Temporary	Intermittent	66 Hours
Guide II	Temporary	Intermittent	134 Hours
Guide II	Temporary	Intermittent	53 Hours
Guide II	Temporary	Intermittent	142 Hours

IN COMPLIANCE	FINDING NO. 10 POSITIVE PAID EMPLOYEES' TRACKED HOURS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
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The CRU found no deficiencies in the positive paid employees reviewed during the compliance review period. The CSC, OEPM, and CAAM provided sufficient justification and adhered to applicable laws, regulations and CalHR policy and guidelines for positive paid employees.

Administrative Time Off

ATO is a form of paid administrative leave status initiated by appointing authorities for a variety of reasons. (Human Resources Manual Section 2121.) Most often, ATO is used when an employee cannot come to work because of a pending investigation, fitness for duty evaluation, or when work facilities are unavailable. (*Ibid.*) ATO can also be granted when employees need time off for reasons such as blood or organ donation, extreme weather preventing safe travel to work, states of emergency, voting, and when employees need time off to attend special events. (*Ibid.*)

During the period under review, March 1, 2021, through February 28, 2022, the CSC, OEPM, and CAAM authorized 71 ATO transactions. The CRU reviewed 47 of these ATO transactions to ensure compliance with applicable laws, regulations, and CalHR policy and guidelines, which are listed below:

Classification	Time Frame	Amount of Time on ATO
Accounting Officer Specialist	4/22/2021	1 Day
Accounting Officer Specialist	5/20/2021	1 Day
Associate Governmental Program Analyst	4/14/2021	2.5 Hours
Associate Governmental Program Analyst	4/14/2021	2.5 Hours
Associate Governmental Program Analyst	6/4/2021	2.5 Hours
Building Maintenance Worker	3/18/2021 – 3/19/2021	2 Days
Building Maintenance Worker	4/16/2021	1 Day
Building Maintenance Worker	4/16/2021	1 Day
Building Maintenance Worker	7/21/2021 – 7/31/2021	9 Days
Building Maintenance Worker	7/27/2021	2 Hours
Carpenter II	7/26/2021 – 7/30/2021	5 Days
Custodian I	4/13/201 – 4/14/2021	10 Hours
Custodian I	5/11/2021 – 5/12/2021	2 Days
Custodian I	6/20/2021 – 6/21/2021	2 Days
Custodian I	7/14/201 – 7/24/2021	8 Days
Custodian I	7/16/2021 – 7/23/2021	50 Hours
Custodian I	7/21/2021 – 7/22/2021	20 Hours
Custodian Supervisor 1	4/1/2021	3 Hours
Custodian Supervisor 1	4/2/2021	1 Day
Custodian Supervisor 1	7/29/2021 – 7/30/2021	20 Hours
Dispatcher Clerk	4/30/2021	1 Day
Exhibit Electronic Tech	4/27/2021 – 4/29/2021	3 Days
Exhibit Electronic Technician	4/26/2021 – 4/29/2021	2 Days
Exhibit Electronic Technician	4/17/2021 – 4/29/2021	2 Days, 4 Hours
Exhibit Technician	5/25/2021 – 5/26/2021	12 Hours
Guide II	6/22/2021 – 6/24/2021	16 Hours
Maintenance Mechanic	4/2/2021 – 4/30/2021	3.5 Hours
Maintenance Mechanic	3/12/2021	3 Hours
Maintenance Mechanic	4/2/2021	3.5 Hours
Museum Security Officer	1/19/2021 – 1/22/2021	3 Days
Museum Security Officer	3/23/2021	1 Day
Museum Security Officer	4/20/2021	1 Day
Museum Security Officer	4/12/2021	1 Day
Museum Security Officer	4/30/2021	1 Day
Museum Security Officer	4/9/2021	1 Day
Museum Security Officer	5/20/2021	1 Day
Plumber I	4/21/2021	19 Hours
Program Manager	7/16/2021 – 7/19/2021	4 Days
Senior Accounting Officer Supervisor	6/21/2021 – 6/22/2021	2 Days

Classification	Time Frame	Amount of Time on ATO
Senior Personnel Specialist	5/17/2021	3 Hours
Senior Personnel Specialist	5/17/2021 – 5/19/2021	2 Days, 3 Hours
Senior Personnel Specialist	6/14/2021 – 6/16/2021	3 Days
Staff Services Analyst	4/13/2021 – 5/5/2021	2 Days, 4 Hours
Stationary Engineer	5/19/2021 – 5/23/2021	5 Days
Stationary Engineer	4/28/2021 – 4/30/2021	3 Days
Stationary Engineer	7/20/2021 – 7/30/2021	9 Days
Stationary Engineer	7/27/2021	1 Day

IN COMPLIANCE	FINDING NO. 11	ADMINISTRATIVE TIME OFF AUTHORIZATIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
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The CRU found no deficiencies in the ATO transactions reviewed during the compliance review period. The CSC, OEPM, and CAAM provided the proper documentation justifying the use of ATO and adhered to applicable laws, regulations and CalHR policy and guidelines.

Leave Auditing and Timekeeping

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

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

During the period under review, December 1, 2021, through February 28, 2022, the CSC, OEPM, and CAAM reported 15 units comprised of 167 active employees. The pay periods and timesheets reviewed by the CRU are summarized below:

Timesheet Leave Period	Unit Reviewed	No. of Employees	No. of Timesheets Reviewed	No. of Missing Timesheets
December 2021	101	1	1	0
December 2021	102	6	6	0
December 2021	104	3	3	0
December 2021	601	8	8	0
January 2022	103	5	5	0
January 2022	104	3	3	0
January 2022	111	7	7	0
January 2022	201	2	2	0
January 2022	211	8	8	0
February 2022	104	3	3	0
February 2022	111	1	1	0
February 2022	201	2	2	0
February 2022	202	7	7	0
February 2022	211	10	10	0
February 2022	401	5	5	0

IN COMPLIANCE	FINDING NO. 12 LEAVE AUDITING AND TIMEKEEPING COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
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The CRU reviewed employee leave records from three different leave periods to ensure compliance with applicable laws, regulations and CalHR policy and guidelines. Based on our review, the CRU found no deficiencies. The CSC, OEPM, and CAAM kept complete and accurate time and attendance records for each employee and officer employed within the department and utilized a monthly internal audit process to verify all leave input into any leave accounting system was keyed accurately and timely.

Leave Reduction Efforts

Departments must create a leave reduction policy for their organization and monitor employees' leave to ensure compliance with the departmental leave policy; and ensure employees who have significant "over-the-cap" leave balances have a leave reduction plan in place. (Human Resources Manual Section 2124.)

Applicable Memoranda of Understanding and the California Code of Regulations prescribe the maximum amount of vacation or annual leave permitted. "If a represented employee is not permitted to use all the vacation to which he or she is entitled in a

calendar year, the employee may accumulate the unused portion.”¹³ (Cal. Code Regs., tit. 2, § 599.737.) If it appears an excluded employee will have a vacation or annual leave balance that will be above the maximum amount¹⁴ as of January 1 of each year, the appointing power shall require the supervisor to notify and meet with each employee so affected by the preceding July 1, to allow the employee to plan time off, consistent with operational needs, sufficient to reduce their balance to the amount permitted by the applicable regulation, prior to January 1. (Cal. Code Regs., tit. 2, § 599.742.1.)

It is the intent of the state to allow employees to utilize credited vacation or annual leave each year for relaxation and recreation, ensuring employees maintain the capacity to optimally perform their jobs. (Cal. Code Regs., tit. 2, § 599.742.1.) For excluded employees, the employee shall also be notified by July 1 that, if the employee fails to take off the required number of hours by January 1, the appointing power shall require the employee to take off the excess hours over the maximum permitted by the applicable regulation at the convenience of the agency during the following calendar year. (*Ibid.*) To both comply with existing civil service rules and adhere to contemporary human resources principles, state managers and supervisors must cultivate healthy work- life balance by granting reasonable employee vacation and annual leave requests when operationally feasible. (Human Resources Manual Section 2124.)

The CSC, OEPM, and CAAM had 15 employees who exceeded, or would exceed by December 31, 2022, the established limits of vacation or annual leave. The CRU reviewed 15 of those employees’ leave reduction plans to ensure compliance with applicable laws, regulations and CalHR policy and guidelines, which are listed below:

Classification	Collective Bargaining Identifier	Projected Balance of AL or VA as of December 31, 2022	Leave Reduction Plan Provided
Building Maintenance Worker	R12	781	Yes
Carpenter II	R12	840	Yes
CEA	M01	844	Yes
CEA	M01	1,414	Yes
Chief, Exposition Events	R12	732	Yes
Chief of Plant Operations I	R12	1,002	Yes
Exhibit Electronic Technician	R12	942	Yes

¹³ For represented employees, the established limit for annual or vacation leave accruals is 640 hours, however for Bargaining Unit 06 there is no established limit and for Bargaining Unit 05 the established limit is 816 hours.

¹⁴ Excluded employees shall not accumulate more than 80 days.

Classification	Collective Bargaining Identifier	Projected Balance of AL or VA as of December 31, 2022	Leave Reduction Plan Provided
Exhibit Electronic Technician	R12	831	Yes
Graphic Designer III	R12	820	Yes
Maintenance Mechanic	R12	801	Yes
Painter I	R12	810	Yes
Senior Accounting Officer	S01	894	Yes
Staff Services Manager I	S01	876	Yes
Staff Services Manager I	S01	754	Yes
Staff Services Manager II (Managerial)	M01	857	Yes
		13,198	

IN COMPLIANCE	FINDING NO. 13 LEAVE REDUCTION PLANS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
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The CRU reviewed employee vacation and annual leave to ensure that those employees who have significant “over-the-cap” leave balances have a leave reduction plan in place and are actively reducing hours. In addition, the CRU reviewed the department’s leave reduction policy to verify its compliance with applicable rule and law, and to ensure its accessibility to employees. Based on our review, the CRU found no deficiencies in this area.

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 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.¹⁵ (Cal. Code Regs., tit. 2, § 599.608.) Full time and fractional employees who

¹⁵ 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.

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 employees¹⁶ 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.

During the period under review, June 1, 2021, through February 15, 2022, the CSC, OEPM, and CAAM had one employee with non-qualifying pay period transactions. The CRU reviewed the transaction to ensure compliance with applicable laws, regulations and CalHR policy and guidelines, which is listed below:

Type of Transaction	Time base	No. Reviewed
Non-Qualifying Pay Period	Full Time	1

IN COMPLIANCE	FINDING NO. 14 SERVICE AND LEAVE TRANSACTIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
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The CRU determined that the CSC, OEPM, and CAAM ensured employees with non-qualifying pay periods did not receive vacation/sick leave, annual leave, and/or state service accruals. The CRU found no deficiencies in this area.

¹⁶ 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.

Policy and Processes

Nepotism

It is the policy of the State of California to hire, transfer, and promote all employees on the basis of merit and fitness in accordance with civil service statutes, rules and regulations. Nepotism is expressly prohibited in the state workplace because it is antithetical to California's merit based civil service. (Cal. Code Regs., tit. 2, § 87.) (*Ibid.*) All appointing powers shall adopt an anti-nepotism policy that includes the following components: (1) a statement that the appointing power is committed to merit-based hiring and that nepotism is antithetical to a merit-based civil service system; (2) a definition of "nepotism" as an employee's use of influence or power to hire, transfer, or promote an applicant or employee because of a personal relationship; (3) a definition of "personal relationship" as persons related by blood, adoption, current or former marriage, domestic partnership or cohabitation; (4) a statement that prohibits participation in the selection of an applicant for employment by anyone who has a personal relationship with the applicant, as defined in section 83.6; (5) a statement that prohibits the direct or first-line supervision of an employee with whom the supervisor has a personal relationship, as defined in section 83.6; (6) a process for addressing issues of direct supervision when personal relationships between employees exist. (*Ibid.*)

IN COMPLIANCE	FINDING NO. 15 NEPOTISM POLICY COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
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The CRU verified that the policy was disseminated to all staff and emphasized the CSC, OEPM, and CAAM's commitment to the state policy of hiring, transferring, and promoting employees on the basis of merit. Additionally, the CSC, OEPM, and CAAM'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 CSC, OEPM, and CAAM did not employ volunteers during the compliance review period.

IN COMPLIANCE	FINDING NO. 16 WORKERS' COMPENSATION PROCESS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
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The CRU verified that the CSC, OEPM, and CAAM 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 CSC, OEPM, and CAAM 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 40 permanent CSC, OEPM, and CAAM employees to ensure that the department was conducting performance appraisals on an annual basis in accordance with applicable laws, regulations, policies and guidelines.

SEVERITY: SERIOUS	FINDING NO. 17	PERFORMANCE APPRAISALS WERE NOT PROVIDED TO ALL EMPLOYEES
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Summary: The CSC, OEPM, and CAAM together had 40 employees, of which CSC did not provide annual performance appraisals to 8 employees reviewed after the completion of the employee’s probationary period.

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

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

Cause: The CSC states that the annual performance appraisal review period was delayed in 2021 due to new leadership in HR and changes that were implemented to streamline the process.

Corrective Action: Within 90 days of the date of this report, the CSC 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 CSC, OEPM and CAAM’s departmental response is attached as Attachment 1.

SPB REPLY

Based upon the CSC, OEPM and CAAM’s written response, the CSC, OEPM and CAAM 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.