

Report 2016-041

# Recommendations Not Fully Implemented After One Year

The Omnibus Audit Accountability Act of 2006

COMMITMENT

INTEGRITY

LEADERSHIP





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January 12, 2017

2016-041

Dear Governor and Legislative Leaders:

Consistent with the Omnibus Audit Accountability Act of 2006 (Government Code sections 8548.7 and 8548.9), the California State Auditor (State Auditor) presents this special report to the Joint Legislative Audit Committee, Joint Legislative Budget Committee, and Department of Finance. This report notes that from November 2009 through October 2015, the State Auditor issued 232 reports on audits and investigations of state agencies. In those reports, we made 1,739 recommendations and state agencies had fully implemented 1,433, or 82 percent, as of October 2016. However, we identified that 306 recommendations are more than one year old and remain outstanding. Similarly, the State Auditor issued 42 reports to nonstate entities, such as counties or school districts. In those reports, we made 371 recommendations and, as of October 2016, the nonstate entities had implemented 330, or 89 percent, of them. Further, we determined that 41 recommendations are more than one year old and remain outstanding. In addition to identifying which recommendations have and have not been fully implemented, the State Auditor's website contains written responses from each state agency explaining the status of each recommendation. For recommendations that have not been fully implemented, the website also provides agency responses regarding when or if these recommendations will be fully implemented.

Our audit and investigative efforts bring the greatest returns when agencies act upon our findings and recommendations. For example, in September 2008 the State Auditor conducted an audit of Laboratory Field Services (Laboratory Services) within the California Department of Public Health. The State Auditor examined Laboratory Services' effectiveness in overseeing clinical laboratories that analyze human specimens such as blood, tissue, and urine so that medical professionals can make diagnoses and prescribe treatment. The State Auditor reported that Laboratory Services' lack of clinical laboratory oversight placed the public at risk, and we directed 11 recommendations to it. Because Laboratory Services had failed to implement nine of the 11 recommendations by October 2014—six years following the audit report—the State Auditor performed a follow-up audit in 2015. The follow-up audit revealed that Laboratory Services was still failing to oversee clinical laboratories and that it has inadequately managed the program. In fact, the audit found that Laboratory Services had made an unauthorized fee increase in January 2014, which has resulted in labs overpaying it more than \$1 million in fees; and, since 2008, it has collected more than \$12 million in lab fees that it has not spent. The State Auditor made 10 new recommendations and Laboratory Services has since taken steps to implement them. By October 2016 Laboratory Services had fully implemented five of the 10 recommendations we directed to it. Although this represents significant progress, Laboratory Services has yet to fully implement the recommendation to inspect every two years all in-state and out-of-state labs it has licensed, which is a core oversight responsibility. By implementing the State Auditor's recommendations, Laboratory Services can provide more effective oversight of laboratories as state law requires resulting in better protection for the state's residents.

If you would like more information or assistance regarding any of the recommendations or background provided in this report, please contact Margarita Fernández, Chief of Public Affairs, at (916) 445 0255.

Respectfully submitted,



ELAINE M. HOWLE, CPA  
California State Auditor

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## INTRODUCTION

As required by the Omnibus Audit Accountability Act of 2006 (Accountability Act), the California State Auditor (State Auditor) presents this report on the status of recommendations that are more than one year old and have not been fully implemented by the entities we audited. The Accountability Act requires state agencies audited or investigated by the State Auditor to provide updates on their implementation of audit recommendations. The State Auditor's long standing practice, which is consistent with generally accepted government auditing standards, is to request audited entities to provide written updates on their implementation of audit recommendations 60 days, six months, and one year after the audit report's public release date. For investigative reports, state law requires state agencies that are the subject of an investigation to provide updates on their implementation of recommendations within 60 days of receiving the report and monthly thereafter until the agency has taken final action. As the State Auditor implemented the Accountability Act, it retained these prescribed time frames as the intervals at which agencies must report back on their implementation of audit recommendations. The State Auditor first notified all state agencies of their responsibilities under the Accountability Act and the State Auditor's plans for implementing these requirements in May 2007. Since that time, the State Auditor has annually provided a reminder to relevant state agencies regarding recommendations issued that were more than a year old and not fully implemented.

## RESULTS IN BRIEF

### *State Entities*

From November 2009 through October 2015, the State Auditor issued 232 reports that related to audits or investigations of state agencies. These reports were requested through the Joint Legislative Audit Committee, legislation, or as a result of an investigation.<sup>1</sup> The State Auditor made 1,739 recommendations to the audited state agencies in those reports, of which 1,433 have been fully implemented. Since our last report issued on January 14, 2016, state agencies implemented 123 long-outstanding recommendations. However, the State Auditor identified 306 recommendations made to 52 state agencies that had been outstanding at least one year and remain not fully implemented as of October 2016.

### *Nonstate Entities*

From January 2011 through October 2015, the State Auditor issued 42 reports to nonstate entities, and made 371 recommendations to these entities, of which 330 have been fully implemented. Since our last report issued on January 14, 2016, nonstate entities implemented 16 long-outstanding recommendations. However, the State Auditor identified 41 recommendations made to 18 nonstate entities that had been outstanding at least one year and not fully implemented as of October 2016.

<sup>1</sup> Excludes the statewide single audit (financial and federal compliance audits), which is mandated as a condition of California receiving federal funding. The recommendations made in those audits are followed up and reported each year in the State Auditor's annual reports on California's Internal Control and State and Federal Compliance. As of January 1, 2010, the State Auditor began reporting as required on the status of recommendations made in investigative reports. The State Auditor initiated the investigations in response to whistleblower complaints or other information suggesting improper governmental activities.

### ***Importance of Implementing Recommendations***

Our audit and investigative efforts bring the greatest returns when agencies act upon our findings and recommendations. For example, in September 2008 the State Auditor conducted an audit of Laboratory Field Services (Laboratory Services) within the Department of Public Health. The State Auditor examined Laboratory Services' effectiveness in overseeing clinical laboratories that analyze human specimens such as blood, tissue, and urine so that medical professionals can make diagnoses and prescribe treatment. The State Auditor reported that Laboratory Services' lack of clinical laboratory oversight placed the public at risk and directed 11 recommendations to it. Because Laboratory Services had failed to implement nine of the 11 recommendations by October 2014—six years following the audit report—the State Auditor performed a follow up audit in 2015. The follow up audit revealed that Laboratory Services was still failing to oversee clinical laboratories and that it has inadequately managed the program. In fact, the audit found that Laboratory Services had made an unauthorized fee increase in January 2014, which has resulted in labs overpaying it more than \$1 million in fees, and since 2008 it has collected more than \$12 million in lab fees that it has not spent. The State Auditor made 10 new recommendations and Laboratory Services has since taken steps to implement them. By October 2016 Laboratory Services had fully implemented five of the 10 recommendations we directed to it. Although this represents significant progress, Laboratory Services has yet to fully implement the recommendation to inspect every two years all in-state and out-of-state labs it has licensed, which is a core oversight responsibility. By implementing the State Auditor's recommendations Laboratory Services can provide more effective oversight of laboratories as state law requires resulting in better protection for the State's residents.

In October 2016 the State Auditor provided written notice to audited and investigated entities regarding recommendations that were more than a year old and not fully implemented related to reports issued from November 2009 through October 2015. The tables beginning on page 5 summarize and provide information on recommendations issued between November 2009 and October 2015. Table 1 shows recommendations more than five years old that were not fully implemented as of the agencies' latest response. Because the recommendations shown in Table 1 are from audits issued between November 2009 and October 2010 and are more than five years old, they will not be reassessed by the State Auditor in subsequent reports. Table 2, beginning on page 9, summarizes recommendations made to state entities that have not been fully implemented for audits and investigations issued between November 2010 and October 2015. As indicated on Table 2, the State Auditor did not always agree with agency assertions that certain recommendations were fully implemented. Two columns in Table 2 provide the State Auditor's reason for disagreement. Table 3, beginning on page 45, summarizes recommendations made to state entities that have been fully implemented since last year's report or the agencies' one-year responses. Finally, tables 4 and 5, beginning on page 57 and 65, respectively, summarize all recommendations more than one year old made to nonstate entities and their current implementation status.

The  symbol appears in the tables next to the audit number whenever an audit has recommendations to more than one agency appearing in this report. Please refer to the index on page 3.



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**Reference for Reports Featuring Recommendations to Multiple Entities**

REPORT		ENTITIES WITH RECOMMENDATIONS
<b>State Entities With Recommendations—Included in Tables 1, 2, and 3</b>		
A	2009-107.2	California Correctional Health Care Services, California Department of Corrections and Rehabilitation
B	2010-116	Department of State Hospitals, California Department of Corrections and Rehabilitation
C	2011-111	Employment Development Department, California Workforce Investment Board
D	2011-120	California Department of Transportation, Department of General Services
E	2012-107	California Department of Public Health, Department of Developmental Services
F	2012-110	Department of Motor Vehicles, California Natural Resources Agency, California Governor’s Office of Emergency Services, Department of Parks and Recreation
G	2012-117	California State Athletic Commission, Department of Consumer Affairs
H	2012-122	Department of Health Care Services, Mental Health Services Oversight and Accountability Commission
I	2012-603	California Department of Human Resources, State Controller’s Office, California Science Center
J	2013-109	California Public Utilities Commission, Office of Ratepayer Advocates
K	2013-124	University of California; University of California, Berkeley; University of California, Los Angeles; California State University, Chico; California State University, San Diego; The California State University
L	2014-107	Administrative Office of the Courts, Judicial Council of California
M	2014-108	State Board of Equalization, Department of General Services
N	2014-116	Board of Registered Nursing, Department of Consumer Affairs, California Department of Technology
O	2014-124	Department of Motor Vehicles, California Public Utilities Commission
P	2014-131	Franchise Tax Board, California Health Benefit Exchange, California Department of Technology
Q	2015-032	Chancellor of the California Community Colleges, The California State University, University of California
R	2015-508	California Workforce Investment Board, Employment Development Department
S	2015-608	California Department of Social Services, California Department of Human Resources
T	2015-1	California Correctional Health Care Services, California Department of Corrections and Rehabilitation, California Department of Transportation
<b>Nonstate Entities With Recommendations— Included in Tables 4 and 5</b>		
U	2010-036	County of Humboldt, County of Riverside, County of San Diego, County of Santa Barbara, Shasta County
V	2013-036	County of Butte, County of Riverside, County of San Diego
W	2013-116	County of Los Angeles, Los Angeles Emergency Medical Services Agency
X	2014-132	Golden State Water Company, Hesperia Water District, Victorville Water District
<b>State and Nonstate Entities with Recommendations— Included in Tables 2, 3, 4, and 5</b>		
Y	2012-108	California Department of Education, Sacramento City Unified School District


Additional information on each recommendation is available at the State Auditor’s website. The website includes each agency’s response to the current status of outstanding recommendations. The website also includes the audit or investigative report and summary, the text of the recommendation, and the State Auditor’s assessment of whether the agency has fully implemented the recommendation, based on the agency’s response, supporting documentation, and inquiries.

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**Table 1**  
**Recommendations Made to State Entities That Are More Than Five Years Old and Are Still Not Fully Implemented**  
**(Reports Issued From November 2009 Through October 2010)**

REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	NUMBER OF YEARS RECOMMENDATION HAS APPEARED IN THIS REPORT	ESTIMATED DATE OF COMPLETION
<b>HEALTH AND HUMAN SERVICES</b>			
<b>California Department of Public Health</b>			
Department of Public Health: It Reported Inaccurate Financial Information and Can Likely Increase Revenues for the State and Federal Health Facilities Citation Penalties Accounts 2010-108 (June 2010)	2. To increase revenue for the penalty accounts, Public Health should seek legislation authorizing it to revise periodically the penalty amounts to reflect an inflation indicator, such as the CPI.	6	Will Not Implement
	3. To increase revenue for the penalty accounts, Public Health should ensure that it conducts all state surveys of facilities every two years, as required by state law.	6	December 2017
	4. To ensure that it complies with current state law and increases transparency, Public Health should adopt regulations for the administration of temporary management companies.	6	December 2016
	5. To increase revenue for the state account, Public Health should seek legislation authorizing it to require facilities that want to contest the monetary penalty to pay the penalty upon its appeal which could then be deposited into an account within the special deposit fund. The original monetary penalty deposited, plus interest accrued in the account, should then be liquidated in accordance with the terms of the decision.	6	Will Not Implement
	6. To ensure consistency with federal guidance related to federal requirements, and that it is not creating incentives for facilities to appeal citations issued for noncompliance with state requirements, Public Health should provide guidance to its staff that discourages settling appealed monetary penalties for a better term than had the facility not contested the citation and paid the penalty within the time frame specified in law to receive a 35 percent reduction. If Public Health believes instances occur when it is appropriate to reduce a monetary penalty by more than 35 percent, it should document which statutory or regulatory factors that formed the basis for concluding that the original class of citation and corresponding monetary penalty amount were no longer considered valid or relevant.	6	Will Not Implement
	7. To increase revenue for the penalty accounts, Public Health should seek legislation specifying a time frame within which facilities with nonappealed citations that do not qualify for a 35 percent reduction must pay their monetary penalties and allowing Public Health to collect interest on late payments of monetary penalties.	6	Will Not Implement
	<b>Department of Developmental Services</b>		
Department of Developmental Services: A More Uniform and Transparent Procurement and Rate-Setting Process Would Improve the Cost-Effectiveness of Regional Centers 2009-118 (August 2010)	1. To ensure that consumers receive high-quality, cost-effective services that meet the goals of their individual development plans (IPPs) consistent with state law, Developmental Services should require the regional centers to document the basis of any IPP-related vendor selection and specify which comparable vendors (when available) were evaluated.	6	Will Not Implement
	2. To ensure that consumers receive high-quality, cost-effective services that meet the goals of their IPPs consistent with state law, Developmental Services should review a representative sample of this documentation as part of its biennial waiver reviews or fiscal audits to ensure that regional centers are complying with state law—and particularly with the July 2009 amendment requiring selection of the least costly available provider of comparable service.	6	Will Not Implement

continued on next page . . .

REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	NUMBER OF YEARS RECOMMENDATION HAS APPEARED IN THIS REPORT	ESTIMATED DATE OF COMPLETION
<b>Department of Health Care Services</b>			
Department of Health Care Services: It Needs to Streamline Medi-Cal Treatment Authorizations and Respond to Authorization Requests Within Legal Time Limits 2009-112 (May 2010)	2. To ensure that Medi-Cal recipients receive timely access to prescribed drugs, Health Care Services should abolish its policy of responding to drug TARs by the end of the next business day and should instead ensure that prior-authorization requests to dispense drugs are processed within the legally mandated 24-hour period. Alternatively, it should seek formal authorization from CMS to deviate from the 24-hour requirement, and should seek a similar modification to state law. In addition, Health Care Services should begin recording the actual time it receives paper TARs so that it can begin to measure accurately its processing times.	6	Will Not Implement
	3. To ensure that Medi-Cal recipients are receiving timely medical services from providers, Health Care Services should start tracking prior-authorization medical TARs separately and should ensure that such TARs are processed within an average of five working days. Although state law and regulations specifically require prior authorization for certain medical services, Health Care Services generally does not require prior authorizations in practice. Consequently, Health Care Services should seek legislation to update existing laws and amend its regulations to render them consistent with its TAR practices.	6	Will Not Implement
<b>Department of Public Health: It Faces Significant Fiscal Challenges and Lacks Transparency in Its Administration of the Every Woman Counts Program</b> 2010-103R (July 2010) <sup>†</sup>			
	1. To the extent that Public Health continues to fund its various contracts, it should establish clearer expectations with its contractors concerning how much money is to be spent directly on the different aspects of the EWC program and should monitor spending to confirm that these expectations are being met.	6	Will Not Implement
	2. To ensure better public transparency and accountability for how the EWC program is administered, Public Health should comply with state law to develop regulations, based on input from the public and interested parties, that will direct how Public Health administers the EWC program. At a minimum, such regulations should define the eligibility criteria for women seeking access to EWC screening services.	6	June 2017
<b>CORRECTIONS AND REHABILITATION</b>			
<b>California Correctional Health Care Services *</b>			
 California Department of Corrections and Rehabilitation: Inmates Sentenced Under the Three Strikes Law and a Small Number of Inmates Receiving Specialty Health Care Represent Significant Costs 2009-107.2 (May 2010)	5. To determine whether the additional expansion of telemedicine is cost-effective within the California correctional system, Prison Health Care Services should identify and collect the data it needs to estimate the savings of additional telemedicine through an analysis of the cost of specialty care visits currently provided outside of the institution that could be replaced with telemedicine.	6	Fiscal Year 2017–18
<b>TRANSPORTATION</b>			
<b>California High-Speed Rail Authority</b>			
High-Speed Rail Authority: It Risks Delays or an Incomplete System Because of Inadequate Planning, Weak Oversight, and Lax Contract Management 2009-106 (April 2010)	3. To avert possible legal challenges, the Authority should ensure that the review group adheres to the Meeting Act or seek a formal opinion from the Office of the Attorney General regarding whether the review group is subject to this act.	6	Will Not Implement


REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	NUMBER OF YEARS RECOMMENDATION HAS APPEARED IN THIS REPORT	ESTIMATED DATE OF COMPLETION
<b>ENVIRONMENTAL PROTECTION</b>			
<b>California Department of Resources Recycling and Recovery</b>			
Department of Resources Recycling and Recovery: Deficiencies in Forecasting and Ineffective Management Have Hindered the Beverage Container Recycling Program 2010-101 (June 2010)	4. The department should weave benchmarks, coupled with metrics to measure the quality of its activities, into the strategic plan for the beverage program to allow it to better measure progress in meeting goals.	6	December 2017
	5. The department should ensure that the strategic plan incorporates all relevant activities of the beverage program.	6	December 2017

\* As of July 5, 2011, Prison Health Care Services became California Correctional Health Care Services.

† This audit concerns Every Woman Counts, a program that was transferred from the California Department of Public Health to the Department of Health Care Services effective July 1, 2012.

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**Table 2**  
**Recommendations Made to State Entities That Are More Than One Year Old and Are Still Not Fully Implemented**  
**(Reports Issued From November 2010 Through October 2015)**



REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	NUMBER OF YEARS RECOMMENDATION HAS APPEARED IN THIS REPORT	ESTIMATED DATE OF COMPLETION	STATE AUDITOR'S ASSESSMENT	
				AUDITEE DID NOT SUBSTANTIATE ITS CLAIM OF FULL IMPLEMENTATION	AUDITEE DID NOT ADDRESS ALL ASPECTS OF THE RECOMMENDATION
<b>K-12 EDUCATION</b>					
<b>California Department of Education</b>					
California Department of Education: Despite Some Improvements, Oversight of the Migrant Education Program Remains Inadequate 2012-044 (February 2013)*	2. To demonstrate its willingness to fairly evaluate regional expenditures, Education should allow San Joaquin to reimburse its general fund for the vehicle purchase Education incorrectly disallowed.	3	Will Not Implement		
	13. To determine if the statewide migrant education program is effective, Education should finalize its current evaluation of the program and begin developing the capacity to produce a more robust annual evaluation of the program.	3	June 2017		
	14. To address a lack of detailed migrant program service and outcome data, Education should either expand the capabilities of its existing statewide databases or implement additional systems that would allow regions to capture more detailed data about migrant students.	3	June 2017		
 School Safety and Nondiscrimination Laws: Most Local Educational Agencies Do Not Evaluate the Effectiveness of Their Programs, and the State Should Exercise Stronger Leadership 2012-108 (August 2013)*	19. To provide stronger leadership with respect to school safety and nondiscrimination laws, Education, with direction from the superintendent of public instruction, should use data from the kids survey and reported suspensions and expulsions to evaluate the levels of discrimination, harassment, intimidation, and bullying students encounter and to determine the effectiveness of its own and the LEAs' efforts, and report the results to the Legislature by August 1, 2014.	3	Will Not Implement		
	21. To provide stronger leadership with respect to school safety and nondiscrimination laws, Education, with direction from the superintendent of public instruction, should within the next six months and annually thereafter, update and replace the resources on its website to provide more relevant information on best practices, such as preventing and responding to incidents related to a protected characteristic or that occur through cyberbullying, the U.S. DOE report on state bullying legislation, and best practices in other states, such as the Massachusetts law on LEA staff training requirements.	3	†		●
<b>HIGHER EDUCATION</b>					
<b>Chancellor of the California Community Colleges</b>					
California Community College Accreditation: Colleges Are Treated Inconsistently and Opportunities Exist for Improvement in the Accreditation Process 2013-123 (June 2014)	1. To ensure that colleges receive consistent and fair treatment and are able to address deficiencies, the chancellor's office should work with the community colleges and request clearer guidance from the commission regarding what actions would allow for the full two-year period in which to remediate concerns and what actions would constitute good cause for extending the time an institution has to address deficiencies beyond two years. In doing so, the chancellor's office should also encourage the commission to specify in its policies those scenarios under which it would exercise the good cause exception so that institutions would have a better understanding of when they might reasonably expect additional time to address deficiencies.	2	Unknown		




REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	NUMBER OF YEARS RECOMMENDATION HAS APPEARED IN THIS REPORT	ESTIMATED DATE OF COMPLETION	STATE AUDITOR'S ASSESSMENT	
				AUDITEE DID NOT SUBSTANTIATE ITS CLAIM OF FULL IMPLEMENTATION	AUDITEE DID NOT ADDRESS ALL ASPECTS OF THE RECOMMENDATION
California's Postsecondary Educational Institutions: More Guidance Is Needed to Increase Compliance With Federal Crime Reporting Requirements 2015-032 (July 2015)	2. To ensure that community colleges and the public are fully informed regarding the accreditation process, the chancellor's office should assist community colleges in communicating their concerns to the commission regarding its transparency and in developing proposals for improving the commission's transparency policies and practices. The chancellor's office should also encourage the commission to publish policies describing the role of its staff in the commission's decision-making processes.	2	Unknown		
	3. To make certain that institutions receive fair treatment in appealing decisions that terminate their accreditation, the chancellor's office should work with the community colleges to advocate that the commission change certain aspects of its appeal process. Specifically, in keeping with the spirit of accreditation, when institutions have taken steps to correct deficiencies that led to the decision to terminate accreditation, the institutions should be allowed to have information on those corrections heard as evidence in their appeal. Further, the commission president's involvement in selecting the appeal panel's counsel should be revisited.	2	Unknown		
	4. To strengthen institutions' understanding of what they must do to comply with standards, and to provide them with the opportunity to address certain issues that could jeopardize their compliance, the chancellor's office, in collaboration with the community colleges, should encourage the commission to develop formal opportunities for institutions to communicate with and receive feedback from the commission on institutional self-studies and other reports before a formal evaluation takes place. In doing so, the chancellor's office should consider the practices of other regional accreditors and identify those that would best meet the needs of California's community colleges.	2	Unknown		
	5. Community colleges, as members of the commission, should communicate their concerns about and ideas for improvement of training on the accreditation process to the commission. To provide assurance to colleges that they may suggest this information freely, the chancellor's office should coordinate communication between the commission and the colleges. Further, in order to build collegial relationships, engage new people in the accreditation process, and extend additional training to those already involved in accreditation, the chancellor's office should encourage the commission to develop an annual conference focused on accreditation and oversight.	2	Unknown		
	7. To allow colleges flexibility in choosing an accreditor, the chancellor's office should identify other accreditors who are able to accredit California community colleges or who would be willing to change their scopes to do so.	2	Unknown		
	8. To allow colleges flexibility in choosing an accreditor, the chancellor's office should assess the potential costs, risks, and feasibility of creating a new independent accreditor.	2	Unknown		
	20. To ensure that its respective institutions comply with the Clery Act, the Community Colleges Chancellor's Office should develop written policies and procedures to provide guidance to its institutions on how to report accurate Clery Act crime statistics and ensure that all required disclosures are included in its respective institutions' annual security reports. The Community Colleges Chancellor's Office should then annually revisit the written policies and procedures to ensure that they are up to date.	1	October 2016		



California's Postsecondary Educational Institutions: More Guidance Is Needed to Increase Compliance With Federal Crime Reporting Requirements 2015-032 (July 2015)



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				AUDITEE DID NOT SUBSTANTIATE ITS CLAIM OF FULL IMPLEMENTATION	AUDITEE DID NOT ADDRESS ALL ASPECTS OF THE RECOMMENDATION
<b>The California State University</b>					
California State University's Extended Education: It Is Unclear Whether Supplanting Occurred, and Campuses Did Not Always Document Their Adherence to Laws, Policies, and Procedures 2012-113 (December 2013)	4. Within six months of the date the Legislature clarifies its intent regarding Education Code section 89708, the Chancellor's Office should develop and issue final guidance to campuses regarding supplanting, including identifying appropriate oversight mechanisms for ensuring campuses' compliance with this law.	2	December 2016		
 California's Postsecondary Educational Institutions: More Guidance Is Needed to Increase Compliance With Federal Crime Reporting Requirements 2015-032 (July 2015)	19. To ensure that its respective institutions comply with the Clery Act, the CSU Office of the Chancellor should develop written policies and procedures to provide guidance to its institutions on how to report accurate Clery Act crime statistics and ensure that all required disclosures are included in its respective institutions' annual security reports. The CSU Office of the Chancellor should then annually revisit the written policies and procedures to ensure that they are up to date.	1	January 2018		
<b>University of California</b>					
University of California: Although the University Maintains Extensive Financial Records, It Should Provide Additional Information to Improve Public Understanding of Its Operations 2010-105 (July 2011)	1. To address the variations in per student funding of its campuses, the university should complete its reexamination of the base budgets to the campuses and implement appropriate changes to its budget process. As part of its reexamination of the base budget, it should: <ul style="list-style-type: none"> <li>Identify the amount of general funds and tuition budget revenues that each campus receives for specific types of students (such as undergraduate, graduate, and health sciences) and explain any differences in the amount provided per student among the campuses.</li> <li>Consider factors such as specific research and public service programs at each campus, the higher level of funding provided to health sciences students, historical funding methods that favored graduate students, historical and anticipated future variations in enrollment growth funding, and any other factors applied consistently across campuses.</li> <li>After accounting for the factors mentioned above, address any remaining variations in campus funding over a specified period of time.</li> <li>Make the results of its reexamination and any related implementation plan available to stakeholders, including the general public.</li> </ul>	5	January 2017		
	8. To ensure that campuses do not inappropriately use revenues generated from student fees imposed by referenda, the university should ensure that it, the regents, and the campuses do not expand the uses for such revenues beyond those stated in the referenda.	5	Will Not Implement		
Investigations of Improper Activities by State Agencies and Employees: Bribery, Conspiracy to Commit Mail Fraud, Improper Overtime Payments, Improper Use of Lease Proceeds, Improper Travel Expenses, and Other Violations of State Law I2012-1 (October 2012) ‡	23. To address the improper acts we identified, the university should collect \$1,802 from the official for the wasteful expenses he claimed for lodging and meals during his trip to England, the expenses he incurred within the vicinity of his headquarters, and the business meal expenses.	3	Unknown		
	27. The university should revise policies to establish defined maximum limits for the reimbursement of domestic lodging costs and establish controls that allow for exceptions to the limits under specific circumstances only.	3	Unknown		
 Sexual Harassment and Sexual Violence: California Universities Must Better Protect Students by Doing More to Prevent, Respond to, and Resolve Incidents 2013-124 (June 2014)*	5. The Office of the President should direct all of the universities within the UC system to comply with the recommendations in this audit report. Also, to ensure that its universities are complying with Title IX requirements, the Office of the President should conduct routine Title IX reviews. When conducting these compliance reviews, the Office of the President should determine whether universities have implemented this report's recommendations.	2	†		●

REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	NUMBER OF YEARS RECOMMENDATION HAS APPEARED IN THIS REPORT	ESTIMATED DATE OF COMPLETION	STATE AUDITOR'S ASSESSMENT	
				AUDITEE DID NOT SUBSTANTIATE ITS CLAIM OF FULL IMPLEMENTATION	AUDITEE DID NOT ADDRESS ALL ASPECTS OF THE RECOMMENDATION
	49. The Office of the President should clarify in the UC policies that a complainant must have and be informed about the right to end the early resolution process at any time and request that his or her complaint be handled under the university's formal process.	2	†		●
	51. The Office of the President should clarify in the UC policies that if university officials approve an extension to an investigative timeline, the extension should be restricted to a single extension of no more than 30 days, except in limited circumstances that are beyond the university's control.	2	†		●
 Q California's Postsecondary Educational Institutions: More Guidance Is Needed to Increase Compliance With Federal Crime Reporting Requirements 2015-032 (July 2015)	18. To ensure that its respective institutions comply with the Clery Act, UCOP should finalize and implement its draft policy that will provide additional guidance and oversight to its institutions.	1	February 2017		
<b>University of California, Berkeley</b>					
 K Sexual Harassment and Sexual Violence: California Universities Must Better Protect Students by Doing More to Prevent, Respond to, and Resolve Incidents 2013-124 (June 2014)*	8. To help ensure that university faculty and staff do not mishandle student reports of incidents, all faculty and staff should receive training annually, consistent with their role, on their obligations in responding to and reporting incidents of sexual harassment and sexual violence.	2	†		●
	20. All universities should provide their education on sexual harassment and sexual violence to incoming students as close as possible to when they arrive on campus but no later than the first few weeks of their first semester or quarter. Further, universities should provide periodic refresher educational programs, at least annually, to all students on campus to ensure that they are aware of how to handle and report incidents of sexual harassment and sexual violence.	2	†		●
	58. All universities should ensure that the differences between an informal or early resolution process and a formal investigation process are clearly explained to ensure that students know what to expect from each process. Further, they should explain that students whose cases are being handled under an informal or early resolution process have the right to move to a formal process at any time.	2	†	●	
<b>University of California, Davis</b>					
University of California, Davis: It Has Not Identified Future Financing for the Strawberry Breeding Program nor Collected All Available Revenues 2014-121 (June 2015)	4. UC Davis should collect all late fees that its licensees owe.	1	Will Not Implement		
	6. UC Davis should develop a risk-based audit plan to begin periodically reviewing the financial records of master licensees and licensed nurseries to ensure that they are accurately reporting all of their sales of licensed strawberry varieties and paying the university all the royalties it is entitled to. To encourage compliance, UC Davis should notify all master licensees and licensed nurseries that it will begin auditing the sales records of selected licensees.	1	June 2016		
<b>University of California, Los Angeles</b>					
 K Sexual Harassment and Sexual Violence: California Universities Must Better Protect Students by Doing More to Prevent, Respond to, and Resolve Incidents 2013-124 (June 2014)*	9. To help ensure that university faculty and staff do not mishandle student reports of incidents, all faculty and staff should receive training annually, consistent with their role, on their obligations in responding to and reporting incidents of sexual harassment and sexual violence.	2	†		●
	21. All universities should provide their education on sexual harassment and sexual violence to incoming students as close as possible to when they arrive on campus but no later than the first few weeks of their first semester or quarter. Further, universities should provide periodic refresher educational programs, at least annually, to all students on campus to ensure that they are aware of how to handle and report incidents of sexual harassment and sexual violence.	2	†	●	●

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	59. All universities should ensure that the differences between an informal or early resolution process and a formal investigation process are clearly explained to ensure that students know what to expect from each process. Further, they should explain that students whose cases are being handled under an informal or early resolution process have the right to move to a formal process at any time.	2	†		●

**HEALTH AND HUMAN SERVICES**

**California Department of Public Health**





Developmental Centers: Poor-Quality Investigations, Outdated Policies, Leadership and Staffing Problems, and Untimely Licensing Reviews Put Residents at Risk 2012-107 (July 2013)*	18. To improve its enforcement, each year Public Health should evaluate the effectiveness of its enforcement system across all types of health facilities, including those in developmental centers, prepare the required annual report, and, if called for, recommend legislation to improve the enforcement system and enhance the quality of care.	3	June 2018		
California Department of Public Health: It Has Not Effectively Managed Investigations of Complaints Related to Long-Term Health Care Facilities 2014-111 (October 2014)*	3. To protect the health, safety, and well-being of residents in long-term health care facilities, Public Health should improve its oversight of complaint processing. Specifically, by May 1, 2015, Public Health should establish a specific time frame for completing facility-related complaint investigations and ERI investigations and inform staff of the expectation that they will meet the time frame. Public Health should also require district offices to provide adequate, documented justification whenever they fail to meet this time frame.	2	†		●
	4. To protect the health, safety, and well-being of residents in long-term health care facilities, Public Health should improve its oversight of complaint processing. Specifically, by May 1, 2015, Public Health should develop formal written policies and procedures for PCB to process complaints about certified individuals in a timely manner. These policies and procedures should include specific time frames for prioritizing and assigning complaints to investigators, for initiating investigations, and for completing the investigations. Public Health should also inform staff of the expectation that they will meet these time frames. It should require PCB to provide adequate, documented justification whenever PCB fails to meet the time frames.	2	†	●	●
	7. To ensure that district offices address ERIs consistently and to ensure that they investigate ERIs in the most efficient manner, Public Health should review periodically a sample of the priorities that district offices assign to ERIs to ensure compliance with best practices.	2	†	●	
	8. To protect the residents in long-term health care facilities from potential harm, Public Health should ensure that its district offices have adequate staffing levels for its licensing and certification responsibilities, including staffing levels that allow prompt investigations of complaints. Specifically, Public Health should continue working with CalHR to complete the reclassification of district offices' investigator supervisor and manager positions and then quickly fill the vacant positions at district offices.	2	June 2018		
	12. To ensure that its district offices properly investigate complaints and ERIs, Public Health should make certain that all district offices follow procedures requiring supervisory review and approval of complaint and ERI investigations. If the district offices do not have a sufficient number of supervisors to review investigations they did not conduct, Public Health should arrange to assist the districts until such time that they do have a sufficient number of supervisors.	2	January 2017		

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	13. To make certain that its district offices comply with federal requirements regarding corrective action plans, Public Health should establish a process for its headquarters or regional management to inspect district office records periodically to confirm that they are obtaining corrective action plans according to the required time frame and verifying that facilities have performed the corrective actions described in the plans when required.	2	June 2017		
	14. To ensure that it has closed complaints and ERLs appropriately, Public Health should take steps by April 2015 to verify that complaints that its field operations branch closed administratively were closed appropriately. For example, it could request the district offices to verify that the closures were appropriate.	2	†	●	●
California Department of Public Health: Even With a Recent Increase in Federal Funding, Its Efforts to Prevent Diabetes Are Focused on a Limited Number of Counties 2014-113 (January 2015)	2. To increase its efforts to prevent and control diabetes, Public Health should develop a process for identifying and applying for federal funding opportunities, including routinely and proactively searching for grants. In addition, Public Health should seek funding for a grants specialist position to identify and apply for federal and other grants.	1	Will Not Implement		
Follow-Up—California Department of Public Health: Laboratory Field Services Is Unable to Oversee Clinical Laboratories Effectively, but a Feasible Alternative Exists 2015-507 (September 2015)	2. To ensure it can provide effective oversight of labs as state law requires, Laboratory Services should inspect all in-state and out-of-state labs it has licensed every two years.	1	June 2017		
	6. To ensure it can provide effective oversight of labs as state law requires, Laboratory Services should work with Public Health's budget section and other appropriate parties in developing a process to assess the budget act annually and to adjust its fees accordingly. The process should include its management's review and approval of fee adjustments before it posts those fees publicly.	1	December 2016		
	8. To ensure it can provide effective oversight of labs as state law requires, Laboratory Services should address staffing issues by preparing and resubmitting to Public Health a recruitment and retention proposal, developing a succession plan, and taking necessary steps to implement its planned reorganization.	1	July 2017		
	9. To ensure it can provide effective oversight of labs as state law requires, Laboratory Services should ensure that its information technology data systems have necessary safeguards, contain accurate and complete data, and support its program needs.	1	June 2018		
	10. To ensure it can provide effective oversight of labs as state law requires, Laboratory Services should update and develop its regulations as necessary to ensure consistency with existing state law.	1	January 2019		
<b>California Department of Social Services</b>					
Child Welfare Services: California Can and Must Provide Better Protection and Support for Abused and Neglected Children 2011-101.1 (October 2011)	2. To encourage more effective communication from county CWS agencies regarding its licensees, Social Services should specify in regulations what types of situations or allegations the agencies should forward to its licensing division.	5	Will Not Implement		
	3. To ensure that rates paid to foster family agencies are appropriate, Social Services should analyze the rates and provide reasonable support for each component, especially the 40 percent administrative fee it currently pays these agencies.	5	July 2017		
	4. Social Services should create and monitor compliance with clear requirements specifying that children placed with foster family agencies must have elevated treatment needs that would require a group home placement if not for the existence of these agencies' programs. Specifically, Social Services should revise its regulations so licensed foster homes have higher priority than foster family agencies for children that do not have identified treatment needs.	5	January 2017		

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	5. Social Services should require county CWS agencies to file in CWS/CMS a detailed justification for any child placed with a foster family agency.	5	Will Not Implement		
	6. Social Services should create a mechanism by which it can efficiently check for compliance with the needs-justification requirement.	5	Will Not Implement		
	8. To determine whether the hold harmless provision has been effective in reducing caseloads and whether it should be revised or rescinded, Social Services should refine and use CWS/CMS to calculate and report county CWS caseloads.	5	Will Not Implement		
	9. To encourage county CWS agencies to conduct formal internal death reviews, Social Services should revise its annual report on child deaths resulting from abuse or neglect to provide information on whether county CWS agencies conducted such a review of child deaths with prior CWS history. To obtain this information, Social Services should revise its regulations to require all county CWS agencies to not only report child deaths resulting from abuse or neglect but to also require a subsequent report indicating whether an internal child death review was completed.	5	Will Not Implement		
	11. To provide more useful information in its annual report, Social Services should provide child death information broken out by county, not just statewide totals. Further, Social Services should provide more analysis, such as comparing child death information over multiple years and presenting each county's child deaths as a percentage of its total child population.	5	Will Not Implement		
Child Welfare Services: The County Child Welfare Services Agencies We Reviewed Must Provide Better Protection for Abused and Neglected Children 2013-110 (April 2014)	40. To promote continued improvement in the CWS system, Social Services should encourage each county CWS agency to designate personnel to update regularly their policies and procedures, to include a detailed description of the need for ongoing supervisory reviews of key aspects of their respective service processes and incorporate that description into their policies and procedures, and to designate personnel to perform regular quality assurance reviews.	2	January 2017		
	41. To promote continued improvement in the CWS system, Social Services should ask each county CWS agency to report to Social Services on the status of these efforts within 60 days, six months, and one year from the publication of this audit report.	2	Will Not Implement		
Follow-Up—California Department of Social Services: It Has Not Corrected Previously Recognized Deficiencies in Its Oversight of Counties' Antifraud Efforts for the CalWORKS and CalFresh Programs 2015-503 (June 2015)*	4. To ensure that all counties consistently gauge the cost-effectiveness of their early fraud detection activities and ongoing investigation efforts for the CalWORKS and CalFresh programs, Social Services should develop a formula to regularly perform a cost-effectiveness analysis using information that the counties currently submit. Specifically, this formula should measure the savings that a county achieves for each dollar spent on antifraud efforts.	1	March 2017		
	5. To make certain that counties receive the greatest benefit from the resources they spend on antifraud efforts related to CalWORKS and CalFresh cases, Social Services should, using the results from the recommended cost-effectiveness analysis, determine why some counties' efforts to combat welfare fraud are more cost-effective than others.	1	March 2017		
	6. To make certain that counties receive the greatest benefit from the resources they spend on antifraud efforts related to CalWORKS and CalFresh cases, Social Services should seek to replicate the most cost-effective practices among all counties. Social Services should work with its legal counsel to determine whether to withhold information about these practices from public disclosure.	1	March 2017		

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	7. Social Services should track counties' prosecution thresholds for welfare fraud cases and determine whether they affect counties' decisions to investigate potential fraud, with a focus on determining best practices and cost-effective thresholds. If Social Services' analysis determines that varying prosecution thresholds do affect counties' decisions, it should then work with counties to implement the consistent use of these cost-effective prosecution thresholds.	1	March 2017		
	8. Social Services should continue its efforts to ensure that counties follow state regulations regarding the use of the administrative disqualification hearings process until all counties have adopted the process.	1	December 2016		
	9. To make certain that counties receive the greatest benefit from the resources they spend on antifraud efforts related to CalWORKs and CalFresh cases, Social Services should address and promptly act on the four remaining recommendations that its steering committee provided in 2008.	1	December 2016		
	11. To ensure that counties are consistently following up on all match lists, Social Services should remind counties of their responsibility under state regulations to follow up diligently on all match lists. Further, it should work with counties to determine why poor follow-up exists and address those reasons.	1	January 2017		
	12. To make counties' review of match lists more efficient, Social Services should revive its efforts to work with the state and federal agencies that prepare the match lists to address the counties' concerns about match list formats, content, and criteria.	1	April 2017		
	13. To ensure the accuracy of the overpayments that counties collect and report for the CalFresh program, Social Services should create a process to verify on a rotational basis the counties' overpayment collection reports.	1	January 2017		
	16. To ensure the accuracy and consistency of the information on welfare fraud activities that counties report and that Social Services subsequently reports to the federal government, the Legislature, and internal users, Social Services should incorporate the upcoming federal changes to the revision of its instructions for completing the counties' investigation activity reports. In the interim, Social Services should issue clarifications for the most common errors Social Services observes counties make in reporting their investigation activities.	1	January 2017		
Follow-Up—California Department of Social Services: Although Making Progress, It Could Do More to Ensure the Protection and Appropriate Placement of Foster Children 2015-502 (July 2015)*	1. To ensure that all address matches of registered sex offenders who potentially reside or work at a licensed facility or foster home are reviewed, Social Services should improve its current mechanism to track and monitor the outcome of each address match it identifies. This tracking mechanism should allow Social Services to actively reconcile the number of address matches identified through its address comparison process with the number of completed reviews to ensure that it appropriately reviewed each match. Further, this mechanism should allow Social Services to actively monitor and report on any overdue investigations.	1	†	●	
	3. To ensure that counties' use of foster family agency placements is justified, Social Services should take action to implement the recommendation we previously made in our 2011 audit. Specifically, Social Services should continue working to revise its rates paid to foster family agencies and to ensure that it has reasonable support to justify each rate component, especially the administrative fee it currently pays these agencies.	1	July 2017		

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	4. To ensure that counties' use of foster family agency placements is justified, Social Services should take action to implement the recommendation we previously made in our 2011 audit. Specifically, Social Services should require counties to give licensed foster homes a higher priority than foster family agencies for children that do not have identified treatment needs.	1	January 2017		
	5. To ensure that counties' use of foster family agency placements is justified, Social Services should take action to implement the recommendation we previously made in our 2011 audit. Specifically, Social Services should require counties to prepare a detailed justification for any child placed with a foster family agency.	1	Will Not Implement		
<b>Department of Developmental Services</b>					
 Developmental Centers: Poor-Quality Investigations, Outdated Policies, Leadership and Staffing Problems, and Untimely Licensing Reviews Put Residents at Risk 2012-107 (July 2013)*	11. To minimize the need for overtime, the department should reassess its minimum staffing requirements, hire a sufficient number of employees to cover these requirements, and examine its employee scheduling processes.	3	December 2017		
California Department of Developmental Services: Its Process for Assessing Fees Paid by Parents of Children Living in Residential Facilities Is Woefully Inefficient and Inconsistent 2014-118 (January 2015)*	2. To ensure timelier fee assessments, Developmental Services should hold regional centers accountable for providing the monthly placement reports and copies of information letters required by state regulations. To encourage compliance, Developmental Services should specify in its regional center contracts that noncompliant regional centers will pay financial penalties equal to the amount of revenue lost because of their inaction.	1	Will Not Implement		
	8. Developmental Services should review and update its process for collecting on delinquent accounts. This update should include a revision to the policies and procedures manual, training for field agents, and regular management review to ensure consistent adherence to the policy. As part of the update, Developmental Services should clarify when to designate an account as uncollectible.	1	January 2017		
<b>Department of Health Care Services</b>					
Intellectual Property: An Effective Policy Would Educate State Agencies and Take Into Account How Their Functions and Property Differ 2011-106 (November 2011)	4. Caltrans, the Energy Commission, Food and Agriculture, and Health Care Services should put in writing those policies and procedures related to intellectual property that they believe are necessary and appropriate to enable their staff to identify, manage, and protect their intellectual property.	4	End of 2016		
 Mental Health Services Act: The State's Oversight Has Provided Little Assurance of the Act's Effectiveness, and Some Counties Can Improve Measurement of Their Program Performance 2012-122 (August 2013)*	2. To ensure that it monitors counties to the fullest extent as the MHSA specifies and that it implements best practices, Health Care Services should conduct comprehensive on-site reviews of county MHSA programs, including verifying county compliance with MHSA requirements.	3	June 2017		
	3. To ensure that counties have the needed guidance to implement and evaluate their MHSA programs, Health Care Services should coordinate with the Accountability Commission and issue guidance or regulations, as appropriate, for Facilities programs and for other MHSA requirements, such as a prudent reserve.	3	Middle of 2018		
	5. To ensure that counties have the needed guidance to implement and evaluate their MHSA programs, Health Care Services should collaborate with the Accountability Commission to develop and issue guidance or regulations, as appropriate, to counties on how to effectively evaluate and report on the performance of their MHSA programs.	3	Ongoing		

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	6. To ensure that Health Care Services and other state entities can evaluate MHSAs programs and assist the Accountability Commission in its efforts, Health Care Services should collect complete and relevant MHSAs data from the counties.	3	End of Fiscal Year 2016–17		
	7. To ensure that Health Care Services and other state entities can evaluate MHSAs programs and assist the Accountability Commission in its efforts, Health Care Services should resolve all known technical issues with the partnership and client services systems and provide adequate and expert resources to manage the systems going forward.	3	End of Calendar Year 2017		
	18. Health Care Services should develop standardized data collection guidelines or regulations, as appropriate, that will address inconsistencies in the data that counties report to the State. In developing these guidelines or regulations, Health Care Services should consult with the Accountability Commission to ensure that data collected reasonably fulfill statewide evaluation purposes.	3	December 2016		
	19. To help ensure county compliance with stakeholder regulations, Health Care Services should provide technical assistance to counties on the MHSAs local planning review process and ensure that its guidance to counties is clear and consistent with state regulations.	3	December 2016		
California Department of Health Care Services: Its Failure to Properly Administer the Drug Medi-Cal Treatment Program Created Opportunities for Fraud 2013-119 (August 2014)*	1. To ensure that the providers receive reimbursement for only valid services, Health Care Services should immediately coordinate with the appropriate counties to recover inappropriate payments to ineligible providers and for services purportedly rendered to deceased beneficiaries.	2	January 2017		
	3. To ensure that the providers receive reimbursement for only valid services, Health Care Services should immediately direct its investigations division to determine whether it authorized any improper payments to program providers for deceased beneficiaries outside of our audit period. It should also determine whether it authorized such payments through its other Medi-Cal programs. Health Care Services should initiate efforts to recover such payments as appropriate.	2	January 2017		
	10. To ensure that the providers receive reimbursement for only valid services, Health Care Services should immediately ensure that Los Angeles County strengthens its provider contract monitoring process, including fully implementing its RATE system to track and respond to provider deficiencies, and that it imposes appropriate responses when warranted, such as withholding payment or suspending or terminating a contract.	2	December 2016		
	18. To prevent the certification of ineligible providers, Health Care Services should immediately ensure that its enrollment division conducts LEIE and EPLS database searches of program providers at least monthly.	2	†	●	
	20. To prevent the certification of ineligible providers, Health Care Services should immediately establish a mechanism to identify the number of program sites the provider applicants' medical directors work at, and ensure that the physician ratio does not exceed 1-to-3 in accordance with state law and the certification standards.	2	†	●	



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	21. To prevent the certification of ineligible providers, Health Care Services should immediately identify and perform an immediate recertification of providers that signed the Compliance Agreement to ensure that these providers are currently meeting all program requirements.	2	January 2017		
	24. To prevent the certification of ineligible providers, Health Care Services should immediately develop a schedule for recertifying all program providers every five years.	2	October 2017		
	25. To prevent the certification of ineligible providers, Health Care Services should immediately continue its implementation of an automated provider enrollment system.	2	October 2017		
	26. To prevent the certification of ineligible providers, Health Care Services should immediately complete its program recertification on or before March 24, 2016, as federal regulations require.	2	January 2017		
	27. To prevent the certification of ineligible providers, Health Care Services should immediately establish a plan for eliminating its backlog of applications for new sites and services and changes to existing certifications.	2	†	●	
	33. To improve the coordination between its divisions, branches, and units and ensure that it addresses allegations of fraud in a timely manner, Health Care Services should fully implement the investigations division's recommendations shown in Appendix B. If it chooses not to implement a recommendation, it should document sufficiently the reasons for its decision.	2	July 2017		
	California Department of Health Care Services: Weaknesses in Its Medi-Cal Dental Program Limit Children's Access to Dental Care 2013-125 (December 2014)	4. To ensure that child beneficiaries throughout California can reasonably access dental services under Medi-Cal and to increase child beneficiary utilization and provider participation, Health Care Services should take the following steps for the fee-for-service delivery system by May 2015: immediately take action to resolve any declining trends identified during its monitoring efforts.	1	January 2017	
5. To help increase the number of providers participating in the program's fee-for-service delivery system, Health Care Services should improve its identification and implementation of changes that minimize or simplify administrative processes for providers. These changes should include revising its processes pertaining to dental procedures that require radiographs or photographs.		1	January 2017		
7. To ensure that the influx of beneficiaries resulting from recent changes to federal and state law is able to access Medi-Cal's dental services, Health Care Services should immediately take action to resolve any declining trends identified during its monitoring efforts.		1	January 2017		
9. To make certain that access to dental services for child beneficiaries is comparable to the access available to the general population in the same geographic areas, Health Care Services should immediately adhere to its monitoring plan.		1	January 2017		
10. To make certain that access to dental services for child beneficiaries is comparable to the access available to the general population in the same geographic areas, Health Care Services should also compare its results for measuring the percentage of child beneficiaries who had at least one dental visit in the past 12 months with the results from the three surveys conducted by other entities, as its state plan requires.		1	January 2017		

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	19. To ensure that it reports in the CMS-416 an accurate number of child beneficiaries who received specific types of dental services from the centers and clinics, Health Care Services should continue working on a solution to capture the details necessary to identify the specific dental services rendered.	1	2018		
	20. To make certain that it meets the requirements of the new state law and that its performance measures are accurate, Health Care Services should establish the provider-to-beneficiary ratio statewide and by county as performance measures designed to evaluate access and availability of dental services and include this measure in its October 2015 report to the Legislature.	1	Will Not Implement		
	23. To ensure that Health Care Services and its fiscal intermediaries reimburse providers only for services rendered to eligible beneficiaries, Health Care Services should obtain Social Security's Death Master File and update monthly its beneficiary eligibility system with death information.	1	December 2016		
	24. To ensure that Health Care Services and its fiscal intermediaries reimburse providers only for services rendered to eligible beneficiaries, Health Care Services should do the following: Coordinate with the appropriate fiscal intermediaries to recover inappropriate payments made for services purportedly rendered to deceased beneficiaries, if necessary.	1	Ongoing		
California Department of Health Care Services: Improved Monitoring of Medi-Cal Managed Care Health Plans Is Necessary to Better Ensure Access to Care 2014-134 (June 2015)	3. To ensure that Managed Health Care reaches accurate conclusions during its quarterly assessments of the adequacy of provider networks, Health Care Services should establish by September 2015 a process to verify the accuracy of the provider network data it receives from health plans and forwards to Managed Health Care. For example, Health Care Services could verify, for a sample of physicians claimed as part of the health plans' provider networks, that health plans have current written agreements with the providers.	1	December 2016		
	4. To improve the accuracy of provider directories, by December 2015 Health Care Services should revise its processes for monitoring health plans' provider directories. Specifically, Health Care Services should review how each health plan updates and verifies the accuracy of the directory. In addition, Health Care Services should identify best practices and require the plans to adopt those practices.	1	July 2017		
	6. If Health Care Services finds significant errors in a health plan's provider directory, it should work with that health plan to identify reasons for the inaccuracies and require the health plan to develop processes to eliminate the inaccuracies.	1	July 2017		
	7. To ensure that it can handle adequately the volume of calls from Medi-Cal beneficiaries, Health Care Services should implement an effective plan to upgrade or replace its telephone system and database to make certain that its ombudsman office can handle the volume of calls and maintain complete data to make informed management decisions.	1	†	●	
	8. To further ensure that it can handle adequately the volume of calls from Medi-Cal beneficiaries, after upgrading or replacing its systems, if Health Care Services believes that it does not have adequate staffing to address workload, it should justify its need and request additional staff.	1	†		●
	9. To make certain that Health Care Services complies with state law requiring it to conduct annual medical audits, it should finish developing and begin adhering to its schedule for auditing all health plans in fiscal year 2015-16.	1	Ongoing		
	10. To ensure that Health Care Services complies with state law, it should increase its oversight of Managed Health Care to ensure that it completes the quarterly assessments required under the agreements.	1	Will Not Implement		

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California Department of Health Care Services: It Should Improve Its Administration and Oversight of School-Based Medi-Cal Programs 2014-130 (August 2015)*	1. To ensure that it provides claiming units with reasonable opportunities to address concerns with its decisions or actions, Health Care Services should, within three months, begin preparing regulations to establish and implement a formal appeals process that allows claiming units to directly appeal Health Care Services' decisions.	1	Will Not Implement		
	2. To ensure that it provides claiming units with reasonable opportunities to address concerns with its decisions or actions, Health Care Services should, within three months, inform all stakeholders, including claiming units, of the existence of this appeals process.	1	Will Not Implement		
	3. Until the Legislature implements our recommendation in Chapter 2, Health Care Services should immediately resolve weaknesses in its oversight of local educational consortia and local governmental agencies to ensure that these entities sufficiently meet their responsibilities under the administrative activities program and meet the terms of their contracts with Health Care Services. Health Care Services should update its site review and desk review procedures to include the following steps: <ul style="list-style-type: none"> <li>• A risk-based approach to selecting entities for review.</li> <li>• Verification that local educational consortia and local governmental agencies are adequately meeting the oversight and administrative responsibilities described in their contracts with Health Care Services.</li> <li>• Verification that contracts between local educational consortia or local governmental agencies and their claiming units do not include provisions that could result in disallowed costs, such as allowing Health Care Services' participation fee to be included in the claim calculations.</li> <li>• Examination of local educational consortia and local governmental agencies' records to ensure that: <ul style="list-style-type: none"> <li>- Costs they claim for federal reimbursement are necessary and reasonable.</li> <li>- The entities are not inappropriately earning a profit based on the fees they collect from claiming units.</li> <li>- The coding performed by local educational consortia that charge claiming units a percentage of their federal reimbursement is reasonably accurate.</li> </ul> </li> </ul>	1	October 2017		
	4. Until the Legislature implements our recommendation in Chapter 2, Health Care Services should immediately resolve weaknesses in its oversight of local educational consortia and local governmental agencies to ensure that these entities sufficiently meet their responsibilities under the administrative activities program and meet the terms of their contracts with Health Care Services. Health Care Services should complete the oversight reviews for at least three high-risk local educational consortia or local governmental agencies by December 31, 2015, and post the results to its website.	1	†	●	●
	5. Until the Legislature implements our recommendation in Chapter 2, Health Care Services should immediately resolve weaknesses in its oversight of local educational consortia and local governmental agencies to ensure that these entities sufficiently meet their responsibilities under the administrative activities program and meet the terms of their contracts with Health Care Services. Health Care Services should complete the oversight reviews for any remaining high-risk local educational consortia or local governmental agencies by June 30, 2016, and post the results to its website.	1	October 2016		

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	8. To minimize the risk that claiming units could include unallowable costs when calculating their reimbursement claims, Health Care Services should remind all local educational consortia and local governmental agencies that contracts with their claiming units should prohibit claiming units from seeking federal reimbursement of Health Care Services' participation fee.	1	†		●
	10. To streamline the organizational structure of its administrative activities program and to improve the program's cost-effectiveness, Health Care Services should implement a single statewide quarterly random moment time survey and develop and implement a plan to take over responsibility for conducting quarterly time surveys and performing related activities as soon as reasonably possible.	1	Will Not Implement		
	11. To streamline the organizational structure of its administrative activities program and to improve the program's cost-effectiveness, Health Care Services should implement a single statewide quarterly random moment time survey and develop and issue a request for proposals to identify a responsible vendor to assist in implementing a statewide quarterly random moment time survey.	1	Will Not Implement		
	12. To streamline the organizational structure of its administrative activities program and to improve the program's cost-effectiveness, Health Care Services should implement a single statewide quarterly random moment time survey and draft revisions to regulations as appropriate and to applicable documents, including the manual, oversight strategies and plans, and policy and procedure letters.	1	June 2017		
	13. To the extent that local educational consortia and local governmental agencies are no longer involved in the administrative activities program, Health Care Services should develop and issue a standard contract for claiming units to sign to participate in the program.	1	Will Not Implement		
	17. To better maximize federal reimbursements for the administrative activities program, Health Care Services should, within six months, develop and implement a method to oversee and track the outreach efforts that local educational consortia and local governmental agencies use for ensuring that nonparticipating claiming units understand the benefits and consider participating in the administrative activities program.	1	†		●
	18. To better maximize federal reimbursements for the administrative activities program, Health Care Services should, within six months, revise reimbursement rates to authorize claiming units to claim the 75 percent reimbursement rate for translation activities as federal law allows.	1	Awaiting CMS Approval		
	19. To better maximize federal reimbursements for the administrative activities program, Health Care Services should, within six months, determine the extent to which claiming units can claim the unreimbursed difference between the 50 percent and 75 percent reimbursement rates for translation activities for past years and inform claiming units of the findings.	1	Awaiting CMS Approval		
	20. Should the Legislature implement our recommendation in Chapter 2 to allow claiming units to submit reimbursement claims directly to it, Health Care Services should develop and implement its own outreach functions to ensure that claiming units that do not currently participate understand the benefits and consider participating in the administrative activities program.	1	Unknown		

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	21. To provide the public with the ability to participate fully in developing the rules governing the administrative activities program, Health Care Services should, in accordance with California's Administrative Procedure Act (APA), immediately develop and adopt the regulations cited in the four subdivisions of Section 14132.47 of the California Welfare and Institutions Code.	1	June 2017		
	23. To ensure that it provides stakeholders with timely access to information regarding the billing option program, Health Care Services should issue the required annual report covering April 2013 to May 2015 by December 2015 as promised.	1	December 2016		
	24. To ensure that it provides stakeholders with timely access to information regarding the billing option program, Health Care Services should issue all future annual reports in a timely manner.	1	Ongoing		

**Department of State Hospitals<sup>5</sup>**



Sex Offender Commitment Program: Streamlining the Process for Identifying Potential Sexually Violent Predators Would Reduce Unnecessary or Duplicative Work 2010-116 (July 2011)*	6. To reduce costs for unnecessary evaluations, Mental Health should either issue a regulation or seek a statutory amendment to clarify that when resolving a difference of opinion between the two initial evaluators of an offender, Mental Health must seek the opinion of a fourth evaluator only when a third evaluator concludes that the offender meets SVP criteria.	5	Will Not Implement		
California Department of State Hospitals: It Could Increase the Consistency of Its Evaluations of Sex Offenders by Improving Its Assessment Protocol and Training 2014-125 (March 2015)	3. To promote consistency and ensure that it provides sufficient guidance to evaluators, State Hospitals should update its assessment protocol by March 2016 to include more specific instructions on how to conduct evaluations, such as what assessment instruments evaluators may use and what documents they should consider. State Hospitals should also develop a timeline for periodically reviewing and making any necessary updates to the assessment protocol.	1	December 2018		
	4. To comply with state law, State Hospitals should ensure that it follows the Administrative Procedures Act for future changes to its standardized assessment protocol.	1	December 2019		
	14. State Hospitals should explore options for tracking the time evaluators spend on each evaluation activity to increase the accuracy of the workload equivalencies it includes in its workload matrix and should implement such options by September 2015.	1	February 2017		

**Mental Health Services Oversight and Accountability Commission**



Mental Health Services Act: The State's Oversight Has Provided Little Assurance of the Act's Effectiveness, and Some Counties Can Improve Measurement of Their Program Performance 2012-122 (August 2013)*	11. To fulfill its charge to evaluate MHSA programs, the Accountability Commission should undertake the evaluations specified in its implementation plan.	3	Fiscal year 2017-18		
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**CORRECTIONS AND REHABILITATION**

**Board of State and Community Corrections**



Juvenile Justice Realignment: Limited Information Prevents a Meaningful Assessment of Realignment's Effectiveness 2011-129 (September 2012)*	3. To maximize the usefulness of the information it makes available to stakeholders and to increase accountability, the board should create policies and procedures that include clear, comprehensive guidance to counties about all aspects of performance outcome and expenditure reporting. At a minimum, such guidance should include specifying how counties should define when a juvenile has received a service and whether certain services, such as training, should qualify as serving juveniles.	4	†	●	
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	5. To maximize the usefulness of the information it makes available to stakeholders and to increase accountability, the board should consider verifying the counties' data by conducting regular site visits on a rotating basis or by employing other procedures to verify data that counties submit.	4	Will Not Implement		
	12. To ensure that counties do not maintain excessive balances of unexpended block grant funds, the board should develop procedures to monitor counties' unspent funds and follow up with them if the balances become unreasonable.	4	Will Not Implement		

**California Correctional Health Care Services**

 <p>Sterilization of Female Inmates: Some Inmates Were Sterilized Unlawfully, and Safeguards Designed to Limit Occurrences of the Procedure Failed 2013-120 (June 2014)</p>	5. To ensure that it can better monitor how its medical staff and contractors adhere to the informed consent requirements of Title 22, sections 70707.1 through 70707.7, the Receiver's Office should develop a plan by August 2014 to implement a process by December 2014 that would include working with Corrections to establish a process whereby inmates can have witnesses of their choice when consenting to sterilization, as required by Title 22, or working to revise such requirements so that there is an appropriate balance between the need for secure custody and the inmate's ability to have a witness of her choice.	2	Will Not Implement		
	11. To ensure that inmates receive only medical services that are authorized through its utilization management process, the Receiver's Office should ensure that the computer system it procures includes functionality to electronically link medical scheduling with authorization through the utilization management process to prevent all unauthorized procedures, regardless of whether they may result in sterilization, from being scheduled.	2	Unknown		
 <p>Investigations of Improper Activities by State Agencies and Employees I2015-1 (July 2015)‡</p>	18. Corrections and Correctional Health Care should run a query of exempt positions related to the chief psychologist classification, such as clinical psychologists and senior psychologists, to determine whether any other exempt employees were improperly credited or paid for on-call or call-back assignments prior to December 2014, and seek recovery through reducing those employees' accumulated leave balances.	1	Unknown		

**California Department of Corrections and Rehabilitation**





 <p>Investigations of Improper Activities by State Employees: Delay in Reassigning an Incompetent Psychiatrist, Misuse of State Resources, Failure to Protect the Security of Confidential Documents, Theft of Registration Fees, and Other Violations of State Law I2010-2 (January 2011) ‡</p>	1. Corrections should take appropriate disciplinary actions against the employee and pursue collection efforts for the compensation she did not earn.	5	Unknown		
 <p>Sex Offender Commitment Program: Streamlining the Process for Identifying Potential Sexually Violent Predators Would Reduce Unnecessary or Duplicative Work 2010-116 (July 2011)*</p>	3. To eliminate duplicative effort and increase efficiency, Corrections should not make unnecessary referrals to Mental Health. For example, Corrections should better leverage the time and work it already conducts by including in its referral process (1) determining whether the offender committed a predatory offense, (2) reviewing results from any previous screenings and evaluations that Mental Health completed and considering whether the most recent parole violation or offense might alter the previous decision, and (3) using STATIC-99R to assess the risk that an offender will reoffend.	5	Will Not Implement		

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	4. To eliminate duplicative effort and increase efficiency, Corrections should not make unnecessary referrals to Mental Health. Corrections and Mental Health should jointly revise the structured screening instrument so that the referral process adheres more closely to the law's intent.	5	Will Not Implement		
Department of Corrections and Rehabilitation: The Benefits of Its Correctional Offender Management Profiling for Alternative Sanctions Program Are Uncertain 2010-124 (September 2011)*	1. To ensure that the State does not spend additional resources on COMPAS while its usefulness is uncertain, Corrections should suspend its use of the COMPAS core and reentry assessments until it has issued regulations and updated its operations manual to define how Corrections' use of COMPAS will affect decision making regarding inmates, such as clarifying how COMPAS results will be considered when sending inmates to different prison facilities, enrolling them in rehabilitative programs to address their criminal risk factors, and developing expectations for those on parole.	5	June 2017		
California Department of Corrections and Rehabilitation and California Correctional Health Care Services: Both Agencies Wasted State Resources by Improperly Accounting for Leave Taken by Their Employees 12010-1045 (May 2013) ‡	4. Adjust current employees' leave balances in the leave accounting system to correct any improper charging of leave identified by the audit.	3	March 2017		
	6. In instances where the audit has determined that an employee's leave balance was mischarged but the employee subsequently departed state service, take appropriate measures to remedy any resulting incorrect compensation of the employee for unused leave upon his or her departure, including by seeking repayment of any amount overpaid to the employee.	3	May 2017		
Investigations of Improper Activities by State Agencies and Employees 12015-1 (August 2015) †	11. To recoup the payment and leave accumulations to which its employees were not entitled, Corrections and Correctional Health Care should reduce the accumulated leave balances of Employee A by 886 hours. If his accumulated leave balances are not sufficient, offset any remaining hours against future accumulations of leave.	1	December 2016		
	13. To recoup the payment and leave accumulations to which its employees were not entitled, Corrections and Correctional Health Care should work with the California Public Employees' Retirement System and attempt to recoup the \$22,766 in CTO leave hours Employee B—who retired in April 2015—cashed out but to which he was not entitled.	1	December 2016		
	19. Corrections and Correctional Health Care should run a query of exempt positions related to the chief psychologist classification, such as clinical psychologists and senior psychologists, to determine whether any other exempt employees were improperly credited or paid for on-call or call-back assignments prior to December 2014, and seek recovery through reducing those employees' accumulated leave balances.	1	Unknown		


**TRANSPORTATION**

**California Department of Transportation**

California Department of Transportation: Its Poor Management of State Route 710 Extension Project Properties Costs the State Millions of Dollars Annually, Yet State Law Limits the Potential Income From Selling the Properties 2011-120 (August 2012)*	1. To ensure that it collects fair market rents for the SR 710 properties on the State's behalf, Caltrans should, using the fair market rent determinations for all SR 710 properties it recently prepared and excluding those in its affordable rent program, adjust the tenants' rents to fair market after providing them with proper notice.	4	Unknown		
	2. To ensure that it collects fair market rents for the SR 710 properties on the State's behalf, Caltrans should make only limited exceptions to charging fair market rent and document the specific public purpose that is served in any case that it does not charge fair market rent.	4	Unknown		

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 T Investigations of Improper Activities by State Agencies and Employees 12015-1 (August 2015)†	4. To remedy the effects of the improper governmental activity substantiated in this report and to prevent it from recurring, Caltrans should continue its efforts to recover the undercharged rent from the telecommunications companies.	1	Unknown		
<b>California High-Speed Rail Authority</b>					
High-Speed Rail Authority Follow-Up: Although the Authority Addressed Some of Our Prior Concerns, Its Funding Situation Has Become Increasingly Risky and the Authority's Weak Oversight Persists 2011-504 (January 2012)*	3. To avert possible legal challenges, the Authority should ensure that the independent peer review panel adheres to the Bagley-Keene Open Meeting Act or seek a formal opinion from the Office of the Attorney General (attorney general) regarding whether the panel is subject to this act.	4	Will Not Implement		
<b>Department of Motor Vehicles</b>					
 O California's Alternative Energy and Efficiency Initiatives: Two Programs Are Meeting Some Goals, but Several Improvements Are Needed 2014-124 (February 2015)	5. To ensure that the decal fee is sufficient to reimburse program costs, Motor Vehicles should periodically perform a full cost analysis of the decal program and update the fee accordingly	1	July 2016		
 F Special Interest License Plate Funds: The State Has Foregone Certain Revenues Related to Special Interest License Plates and Some Expenditures Were Unallowable or Unsupported 2012-110 (April 2013)*	1. To ensure that programs supported by special plates receive appropriate amounts of revenues due to them, Motor Vehicles should annually collect all fees for special plates that are no longer on a vehicle but are retained by the plate owner.	3	Will Not Implement		
	3. Motor Vehicles should assess the extent to which it has charged fees for special plates that are not consistent with those prescribed in statutes and take appropriate action.	3	†		●
<b>NATURAL RESOURCES</b>					
<b>California Natural Resources Agency</b>					
 F Special Interest License Plate Funds: The State Has Foregone Certain Revenues Related to Special Interest License Plates and Some Expenditures Were Unallowable or Unsupported 2012-110 (April 2013)*	15. To make certain that money from the special plate funds pay only for allowable and supportable activities, Resources should use all appropriate funding sources to pay for any expenses that benefit multiple programs in proportion to the benefits these programs actually receive. Further, it should ensure that its allocation of such expenses to different funds is equitable and supported.	3	Will Not Implement		
Salton Sea Restoration Fund: The State Has Not Fully Funded a Restoration Plan and the State's Future Mitigation Costs Are Uncertain 2013-101 (November 2013)	7. To ensure that the Legislature has the information necessary to meet the State's restoration goals and to plan for the State's future financial obligations related to mitigation, the Resources Agency should work with Fish and Wildlife and Water Resources to meet with the Legislature regularly to provide updates on the status of its restoration efforts and the feasibility study to ensure that the Legislature has the information necessary to make funding and other informed decisions.	2	†	●	
	8. To ensure that the Legislature has the information necessary to meet the State's restoration goals and to plan for the State's future financial obligations related to mitigation, the Resources Agency should work with Fish and Wildlife and Water Resources to develop an estimate of the costs, adjusted for inflation, that the State may incur for fulfilling its financial obligations related to mitigation under the QSA. The Resources Agency should include this information in the feasibility study so the Legislature is fully aware of the estimated costs and timing of the State's future financial obligations.	2	†		●




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<b>California Science Center</b>					
 High Risk Update: State Agencies Credited Their Employees With Millions of Dollars Worth of Unearned Leave 2012-603 (August 2014)	12. By February 2015 the Science Center should provide training to all of its personnel specialists on the number of leave hours employees earn for working on holidays.	2	October 2017		
<b>California State Lands Commission</b>					
State Lands Commission: Because It Has Not Managed Public Lands Effectively, the State Has Lost Millions in Revenue for the General Fund 2010-125 (August 2011)*	1. When the commission determines that it will pursue delinquent lessees itself, it should use a collection agency or a program such as the Franchise Tax Board's Interagency Intercept Collections Program.	5	Will Not Implement		
	2. To ensure that it receives rent from the lessee that reflects the approximate value for the State's property at those times when a lessee disputes a modification to the rental amount after the commission exercises its right to perform a rent review or because the lease expired, the commission should include in its lease agreements a provision that requires lessees to pay the commission's proposed increased rental amount, which would be deposited into an account within the Special Deposit Fund. The increased rental amounts deposited, plus the corresponding interest accrued in the account, should then be liquidated in accordance with the amount agreed to in the final lease agreement.	5	Will Not Implement		
	21. To ensure that it manages delinquent leases in an effective and timely manner and collects all the amounts owed to it, the commission should develop and adhere to policies and procedures that incorporate the administrative manual's guidance, including the steps staff should take when a lessee is delinquent, time standards for performing those steps, and a process for consistently tracking the status of delinquent leases between divisions.	5	January 2017		
<b>Department of Parks and Recreation</b>					
Department of Parks and Recreation: Flaws in Its Budget Allocation Processes Hinder Its Ability to Effectively Manage the Park System 2012-121.2 (September 2013)*	4. To ensure that it can comply with state law in the event that it must close parks or reduce park services in the future, the department should improve its methodology for developing individual park unit budgets and determining and tracking park-level costs. Specifically, the department should develop specific time frames and deliverables for the completion of phases two and three of its plan. These time frames should include specific completion dates for each key component of the phases.	3	August 2017		
	6. To ensure that it can comply with state law in the event that it must close parks or reduce park services in the future, the department should improve its methodology for developing individual park unit budgets and determining and tracking park-level costs. Specifically, the department should determine how it will define service levels and measure whether those levels are being met so it can provide budgets for each park unit, as phase three of its process requires.	3	August 2017		
	8. To prevent unauthorized leave buyback transactions, the department should provide training by December 2013 to all department managers and personnel staff who might be involved in leave buyback transactions to ensure that they understand the State's requirements regarding leave buybacks.	3	May 2017		
	11. To prevent unauthorized leave buyback transactions, the department should limit access for keying transactions to the payroll system only to authorized personnel staff.	3	†	●	
	15. To improve the effectiveness of the EPRC, the department should establish a process by March 2014 through which the director's office provides formal direction to the EPRC regarding staffing priorities.	3	August 2017		

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<b>Department of Water Resources</b>					
General Obligation Bonds: The Departments of Water Resources and Finance Should Do More to Improve Their Oversight of Bond Expenditures 2010-117 (May 2011)	4. To provide the public with accurate and complete information on the bond-funded projects it administers, Water Resources should develop and consistently use a formalized, documented review process that will provide greater assurance that project information posted to the Bond Accountability website is regularly updated and contains accurate information.	5	Will Not Implement		
<b>ENVIRONMENTAL PROTECTION</b>					
<b>California Department of Resources Recycling and Recovery</b>					
California Department of Resources Recycling and Recovery: The Beverage Container Recycling Program Continues to Face Deficits and Requires Changes to Become Financially Sustainable 2014-110 (November 2014)*	2. To ensure it can demonstrate that its fraud prevention efforts are maximizing financial recoveries for the beverage program, CalRecycle should both modify and annually update its fraud management plan to include the following: <ul style="list-style-type: none"> <li>• By December 31, 2014, formally establish a systematic process for analyzing, monitoring, and responding to the risk of fraudulent recycling of out-of-state beverage containers.</li> <li>• Develop fraud estimates—by type of fraudulent activity—that quantify the potential financial losses to the beverage program and the methodology CalRecycle used to develop these estimates.</li> <li>• Identify the amount of actual fraud in the prior year by type of fraudulent activity, such as the financial losses resulting from the redemption of out-of-state beverage containers or the falsification of reports used to substantiate program payments.</li> <li>• Identify the amount actually recovered for the beverage program in the form of cash for restitution and penalties resulting from fraud.</li> </ul>	1	None		
	3. To allow for public input and to prevent any legal challenges claiming that its policies and procedures regarding prepayment holds constitute unenforceable underground regulations, CalRecycle should adopt these policies and procedures as regulations in accordance with the Administrative Procedure Act.	1	December 2017		
	5. To ensure it effectively uses resources, CalRecycle should renegotiate its agreement with the California Department of Justice (Justice) to pay based on the cases CalRecycle refers, limiting costs to investigations over a predefined period of time. CalRecycle could agree to increase the budget for a particular investigation if Justice demonstrates that it has developed promising leads.	1	Will Not Implement		
<b>State Water Resources Control Board</b>					
State Water Resources Control Board: It Should Ensure a More Consistent Administration of the Water Quality Certification Program 2012-120 (June 2013)	6. When regional water boards include staff enforcement costs in the penalty actions they issue, the state water board should require that they use a systematic method for tracking the hours staff spend on enforcement activities related to penalty actions and maintain documentary support for these staff enforcement cost calculations.	3	December 2016		
	7. If regional water boards continue to include staff enforcement costs in the penalty actions they issue, the state water board should revise its staff cost rate to reflect actual staff salaries and overhead cost for the certification program.	3	December 2016		
<b>BUSINESS, CONSUMER SERVICES, HOUSING</b>					
<b>Board of Registered Nursing</b>					
California Department of Consumer Affairs' BreEze System: Inadequate Planning and Oversight Led to Implementation at Far Fewer Regulatory Entities at a Significantly Higher Cost 2014-116 (February 2015)*	30. To ensure that BRN has adequate data to effectively use its resources and manage its workload, it should formally track and monitor the timeliness of its processing of applications by type and the cause of any delays.	1	July 2017		






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	32. To ensure that BRN has adequate data to effectively use its resources and manage its workload, it should conduct an analysis no later than June 30, 2015, of its application processing since implementing BreEZe in order to identify the workload capability of each of its units, such as the licensing support unit; to the extent it determines additional resources are necessary, BRN should submit a request for these resources that is appropriately justified.	1	†	●	
	33. To ensure that BRN continues to process applications within regulatory time frames, it should continue its efforts to refine its business processes to increase efficiency and reduce the amount of time applications are pending its review.	1	Ongoing		


**California State Athletic Commission**

 <p>State Athletic Commission: Its Ongoing Administrative Struggles Call Its Future Into Question 2012-117 (March 2013)*</p>	7. To ensure that it adequately tracks critical information related to its basic functions and mission, the commission should work with Consumer Affairs to ensure that the new online program will meet its needs and requirements. Once the program is in place, the commission should use it as its central means for tracking its operations.	3	Unknown		
	9. To ensure that it accurately collects revenue, the commission should calculate the pension assessment by counting all the complimentary tickets issued, except for working complimentary tickets, not merely the complimentary tickets that are redeemed. If the commission does not agree that it should calculate the pension assessment by counting all the complimentary tickets issued, it should seek a change in its regulations to calculate the fee based only on the number of complimentary tickets redeemed.	3	†	●	
	22. The commission needs to establish regulations that describe its process for determining its ticket assessment for the neurological account so that it avoids the use of underground regulations.	3	February 2017		
	28. To comply with state law governing the pension plan, the commission needs to, after it has an accurate and complete listing of all licensed athletes and box office information by event type, conduct the analysis to determine the feasibility of expanding the pension plan to cover all athletes and report the results to the Legislature.	3	Unknown		

**Department of Consumer Affairs**

 <p>California Department of Consumer Affairs' BreEZe System: Inadequate Planning and Oversight Led to Implementation at Far Fewer Regulatory Entities at a Significantly Higher Cost 2014-116 (February 2015)*</p>	17. To the extent that Consumer Affairs chooses to implement BreEZe at the phase 3 regulatory entities, it should first complete a formal cost-benefit analysis to ensure that BreEZe is a cost-effective solution to meet these regulatory entities' business needs. To make certain this analysis is complete, it should include an assessment of the potential changes these regulatory entities may require to be made of the BreEZe system and the associated costs. Consumer Affairs should complete the cost-benefit analysis before investing any more resources into the implementation of BreEZe at the phase 3 regulatory entities, and it should update this analysis periodically as significant assumptions change.	1	Unknown		
	35. To ensure that future training for BreEZe system rollouts is timely and effective, Consumer Affairs should provide training on the BreEZe system as close to the rollout date as possible to ensure that staff retain the information for using the system as it is implemented.	1	Unknown		
	36. To ensure that future training for BreEZe system rollouts is timely and effective, Consumer Affairs should work with the regulatory entities to develop training that is specific to each entity's business processes.	1	Unknown		

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<b>Bureau for Private Postsecondary Education</b>					
Bureau for Private Postsecondary Education: It Has Consistently Failed to Meet Its Responsibility to Protect the Public's Interests 2013-045 (March 2014)	10. To comply with state law and to ensure that it effectively manages its inspections of institutions, the bureau should prioritize its announced and unannounced inspections to focus on those institutions that have a higher risk of noncompliance.	2	December 2016		
<b>Physical Therapy Board of California</b>					
Physical Therapy Board of California: Although It Can Make Improvements, It Generally Processes Complaints and Monitors Conflict-of-Interest Requirements Appropriately 2011-119 (June 2012)	1. The physical therapy board should explore the feasibility of establishing a state position to perform the duties of its current in-house consultant at a reduced cost.	4	Will Not Implement		
<b>LABOR AND WORKFORCE DEVELOPMENT</b>					
<b>California Workforce Investment Board</b>					
 Follow-Up—Federal Workforce Investment Grants: The Employment Development Department Established Procedures for Seeking Discretionary Grants, but Needs to Strengthen Them 2015-508 (September 2015)	3. To ensure that the state board assesses the merits of pursuing federal funding for workforce investment programs in California, it should establish procedures by December 31, 2015, that include, at a minimum, the following: <ul style="list-style-type: none"> <li>• The methods it will use to identify federal grant opportunities.</li> <li>• The factors it will consider in its decisions to pursue or forgo applying for these grants.</li> <li>• The process by which it will document its analyses of grants and its final decisions to either pursue or forgo grant opportunities.</li> <li>• A method for ensuring that the process is consistently implemented.</li> </ul>	1	December 2016		
	4. To ensure that the State maximizes federal funding opportunities related to workforce investment, EDD and the state board should formalize their collaborative grant-seeking procedures by December 31, 2015, to clearly define their respective roles and responsibilities in the grant-seeking process.	1	December 2016		
<b>Employment Development Department</b>					
Employment Development Department: Its Unemployment Program Has Struggled to Effectively Serve California's Unemployed in the Face of Significant Workload and Fiscal Challenges 2010-112 (March 2011)	4. As part of an overall strategy to limit the number of calls it receives while still providing timely and effective customer service, the department should use existing data and additional data from the new phone system to gain a better understanding of why people request to speak to an agent. Using this information, the department should further develop strategies and measurable goals related to achieving a reduction in call volumes. For example, to ensure that virtually all calls are able to gain access to the voice response portion of its new phone system, the department should monitor the volume of blocked call attempts and work with its phone system vendor if necessary to increase the system's capacity.	5	†		●
	5. To evaluate the effectiveness of its other efforts to provide services to claimants in ways that do not require them to speak to agents, such as Web-Cert and Tele-Cert, the department should periodically summarize and assess the more robust management information available under its new phone system.	5	†		●
 Federal Workforce Investment Act: More Effective State Planning and Oversight Is Necessary to Better Help California's Job Seekers Find Employment 2011-111 (March 2012)*	4. To assist the state board and other workforce investment partners in the development and implementation of state-specific performance measures, EDD should ensure that it works with the state board to develop procedures for approving the addition of data elements to its Web-based system and for the exchange of data between EDD and the state board.	4	June 2017		

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Employment Development Department: It Needs to Address Data Issues to Better Evaluate and Improve the Performance of Its Employment Programs for Veterans 2013-102 (October 2013)*	5. To identify ways to better serve veterans in California, the department should assess the success or struggles of veterans within demographic categories in finding employment, such as age, race, or educational attainment, by comparing veterans' performance to that of nonveterans in the same demographic categories and across demographic categories and use this analysis to determine whether specific populations of veterans could be better served through more targeted efforts and to identify best practices for improving employment outcomes for these specific populations. Further, the department should provide the results of this analysis annually, beginning in 2014, to stakeholders, including local workforce agencies, the state workforce board, the interagency council, the Legislature, and the public.	3	October 2017		
Employment Development Department: It Should Improve Its Efforts to Minimize Avoidable Appeals of Its Eligibility Determinations for Unemployment Insurance Benefits 2014-101 (August 2014)*	8. To identify and correct any policies, procedures, or practices that may be contributing to avoidable appeals filed by claimants and employers and thereby provide eligible claimants with unemployment benefits in a timelier manner, EDD should do the following: Using the appeals board's data from fiscal year 2013-14, EDD should identify the legal issues where its determinations are most frequently overturned, and use these data to establish initial performance benchmarks. In addition, similar to the review that EDD's audit and evaluation division performed in 2012, EDD should then review samples of its overturned determinations and the appeals board's decisions on these legal issues to identify trends in the reasons the appeals board cites for overturning EDD's determinations. With this information, EDD should review its policies, practices, and training related to these areas and identify and correct any weaknesses that may be contributing to the overturning of determinations. By April 1, 2015, EDD should report to the Legislature on the results of this review and any changes it plans to make to its determination process.	2	April 2017		
	9. To identify and correct any policies, procedures, or practices that may be contributing to avoidable appeals filed by claimants and employers and thereby provide eligible claimants with unemployment benefits in a timelier manner, EDD should do the following: EDD should use the semiannual data that the appeals board provides to determine whether changes it makes to its process result in reductions in the percentage of its determinations that are overturned on appeal. EDD should also review these data to determine whether it needs to conduct additional reviews of its determinations and the appeals board's decisions to identify additional opportunities for improvement. EDD should report these results to the Legislature annually.	2	August 2017		
 Follow-Up—Federal Workforce Investment Grants: The Employment Development Department Established Procedures for Seeking Discretionary Grants, but Needs to Strengthen Them 2015-508 (September 2015)	1. To ensure that its grant-seeking process is effective in considering grant opportunities related to workforce investment, EDD should update its grant identification and analysis procedures by December 31, 2015, to include the following: <ul style="list-style-type: none"> <li>• Identification of the appropriate level of management or staff to analyze and document the factors considered in pursuing or forgoing grant opportunities.</li> <li>• Documentation of grant analyses, including factors considered in pursuing or forgoing grant opportunities.</li> <li>• Documentation of decisions related to pursuing or forgoing grants.</li> <li>• A method for ensuring that the process is consistently implemented.</li> <li>• Training of appropriate management or staff about EDD's grant-seeking process.</li> </ul>	1	December 2016		

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	2. To ensure that the State maximizes federal funding opportunities related to workforce investment, EDD and the state board should formalize their collaborative grant-seeking procedures by December 31, 2015, to clearly define their respective roles and responsibilities in the grant-seeking process.	1	December 2016		

**GOVERNMENT OPERATIONS**

**California Department of Human Resources**



High Risk Update: State Agencies Credited Their Employees With Millions of Dollars Worth of Unearned Leave  
2012-603 (August 2014)\*

2. To correct the erroneous leave hours we identified in our analysis of the leave accounting system, CalHR should work with the state controller and all state agencies under its authority to review and take the appropriate action to correct the errors by January 2015.	2	†	●	
7. To ensure that state agencies accurately account for their employees' leave benefits, CalHR should consolidate guidance by January 2015 regarding the appropriate amount of leave that employees should earn each month and provide these criteria to the state controller to use when developing the leave accounting system's monthly exception reports. For example, CalHR should identify the number of holiday credit hours that employees covered by each collective bargaining agreement should receive for working on a holiday.	2	August 2017		
9. To ensure that state agencies accurately account for their employees' leave benefits, CalHR should establish general parameters and issue guidance to state agencies by January 2015 on how to account for the leave hours for employees who work alternate work week schedules.	2	August 2017		
10. To ensure that state agencies accurately account for their employees' leave benefits, CalHR should provide additional guidance to state agencies by January 2015 on interpreting the provisions of the collective bargaining agreements related to the amount of leave employees earn. For example, CalHR could provide scenarios to illustrate the number of hours employees should earn under common circumstances.	2	†	●	

**California Department of Technology**





California Department of Consumer Affairs' BreEze System: Inadequate Planning and Oversight Led to Implementation at Far Fewer Regulatory Entities at a Significantly Higher Cost  
2014-116 (February 2015)\*

11. To ensure that IT projects have the oversight needed to better position them for success, Technology should require state departments to follow its IT policies, including developing all necessary plans and receiving all required training.	1	December 2016		
12. To ensure that IT projects have the oversight needed to better position them for success, Technology should ensure that departments obtain IPO and IV&V services as soon as an IT project is approved. Additionally, Technology should document key discussions with any department in which the IV&V consultant and the IPO specialist raise significant concerns about a project, and ensure that the respective department responds promptly to, and adequately addresses, the concerns that the IPO specialist and the IV&V consultant raise.	1	December 2016		
13. To ensure that IT projects have the oversight needed to better position them for success, Technology should require state departments to appropriately address deficiencies identified in Technology's approval of any SPRs as conditions that must be met, and to do so according to specified timelines. If the deficiencies are not adequately addressed within the specified timelines, Technology should take action to suspend the project until the department has either resolved the identified deficiencies or adequately documented its justification for not addressing the deficiencies.	1	December 2016		

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	14. To ensure that IT projects have the oversight needed to better position them for success, Technology should develop thresholds relating to IT project cost increases and schedule delays to inform and better justify its decision to allow an IT project to continue. If a department's IT project reaches or exceeds these thresholds, Technology should require the department to conduct a cost-benefit analysis for the project and include this analysis in an SPR. Technology should consider the results of this analysis in its decision to approve or deny the SPR and, if warranted, take action to suspend or terminate the project so that it does not allow projects with significant problems to continue without correction.	1	December 2016		
	28. To ensure that contracting departments comply with requirements, Technology should periodically monitor the status of contracts and enforce adherence to procurement requirements. For example, Technology should ensure that contracting departments forward all change requests to it and that it conducts reviews of all change requests to determine whether the changes exceed the scope of the respective contract.	1	December 2016		
High Risk Update—California Department of Technology: Lack of Guidance, Potentially Conflicting Roles, and Staffing Issues Continue to Make Oversight of State Information Technology Projects High Risk 2014-602 (March 2015)*	1. By December 2015, Technology should develop and adopt criteria to guide the type and degree of intervention it will take to prevent IT projects with significant problems from continuing without correction, including when and how IPO analysts should recommend corrective action and escalate issues to Technology's management.	1	December 2016		
	2. By December 2015, Technology should develop and adopt criteria to guide the type and degree of intervention it will take to prevent IT projects with significant problems from continuing without correction, including when and what Technology should require that sponsoring agencies perform as remedial actions, and what sanctions Technology will impose for noncompliance with these remedial actions.	1	December 2016		
	3. By December 2015, Technology should develop and adopt criteria to guide the type and degree of intervention it will take to prevent IT projects with significant problems from continuing without correction, including what conditions could trigger Technology to consider suspending or terminating an IT project.	1	December 2016		
	4. To clarify and reinforce its oversight authority with sponsoring agencies, by December 2015 Technology should develop a method to formally document and communicate its expectations with the sponsoring agencies whose projects are under Technology's oversight.	1	December 2016		
	6. To help ensure the independence and objectivity of IPO analysts working in the oversight and consulting division, Technology should provide regular training regarding maintaining independence while conducting project oversight.	1	†		●
	9. To ensure that the sponsoring agencies' project status reports provide a reliable and consistent assessment of an IT project's progress, Technology should develop and adopt specific standards that describe how to calculate and report the project's current status.	1	April 2017		
	10. To attract and retain employees with appropriate experience and qualifications to perform IT project oversight, Technology should continue its efforts to gain approval to modify and use the project manager classification for the IPO analyst role.	1	June 2017		
	13. To improve its oversight training, by June 2015 Technology should continue to implement a consistent and repeatable training plan for IPO analysts, which includes contract management, project assessment, IT systems engineering, and maintaining independence.	1	June 2017		





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High Risk Update— Information Security: Many State Entities' Information Assets Are Potentially Vulnerable to Attack or Disruption 2015-611 (August 2015)	3. To assist reporting entities in reaching full compliance with the security standards, the technology department should ensure the consistency and accuracy of its self certification process by developing a self assessment tool by December 2015 that reporting entities can use to determine their level of compliance with the security standards. The technology department should require reporting entities to submit completed self assessments along with their self certifications.	1	December 2016		
	4. To assist reporting entities in reaching full compliance with the security standards, the technology department should provide more extensive guidance and training to reporting entities regarding the self certification process, including training on how they should use the new self assessment tool.	1	January 2017		
	8. The technology department should revise its certification form to require reporting entities to submit detailed information about their compliance with the security standards. It should use this information to track and identify trends in the State's overall information security.	1	December 2016		
	9. The technology department should develop policies and procedures to define the process and criteria it will use to incentivize entities' compliance with the security standards.	1	December 2016		
	10. To improve the clarity of the security standards, the technology department should take the following actions: Perform regular outreach to all reporting entities to gain their perspectives, identify any unclear or inconsistent security standards, and revise them as appropriate.	1	December 2016		
	11. To improve the clarity of the security standards, the technology department should develop and regularly provide detailed training on the requirements of the security standards and on best practices for achieving compliance. It should provide these trainings in a variety of locations and formats, including webinars.	1	December 2016		
<b>Department of General Services</b>					
Department of General Services: The Division of the State Architect Lacks Enforcement Authority and Has Weak Oversight Procedures, Increasing the Risk That School Construction Projects May Be Unsafe 2011-116.1 (December 2011)	1. To ensure public safety and provide public assurance that school districts construct projects in accordance with approved plans, the department, in conjunction with the division, should pursue legislative changes to the Field Act that would prohibit occupancy in cases in which the division has identified significant safety concerns.	4	†		●
 California Department of Transportation: Its Poor Management of State Route 710 Extension Project Properties Costs the State Millions of Dollars Annually, Yet State Law Limits the Potential Income From Selling the Properties 2011-120 (August 2012)*	37. To ensure that the construction unit complies with the State's procurement laws and policies, General Services should continue its efforts to implement regulations that govern the small business certification process related to defining and enforcing violations of commercially useful function requirements.	4	January 2017		
<b>Franchise Tax Board</b>					
 California State Government Websites: Departments Must Improve Website Accessibility So That Persons With Disabilities Have Comparable Access to State Services Online 2014-131 (June 2015)*	9. No later than December 1, 2015, Franchise Tax Board should develop a plan to determine whether the accessibility violations we identified exist on other portions of its online presence that we did not include in the scope of our review. Once this plan is executed, it should correct violations wherever it finds them and do so no later than June 1, 2016.	1	†	●	




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<b>GENERAL GOVERNMENT</b>					
<b>California Department of Veterans Affairs</b>					
California Department of Veterans Affairs: It Has Initiated Plans to Serve Veterans Better and More Cost-Efficiently, but Further Improvements Are Needed 2012-119 (May 2013)*	5. To better utilize unused space at the veterans homes, and to serve more veterans within legal restrictions, CalVet should use the information in the Yountville veterans home master plan to develop a plan for using unused space at that home to generate revenue and/or serve more veterans.	3	December 2017		
	11. To ensure it is maximizing its ability to serve veterans in the State's veterans homes, CalVet should follow through with its plan to assess the bed capacity of the homes for veterans' needs after the homes in Fresno and Redding are licensed, to determine the most appropriate number of beds for the different levels of care offered at each home.	3	March 2017		
	15. To allow for public input and to prevent any legal challenges that its policy of capping members' fees, its \$165 monthly income-retention policy for members, and its age and admission policy are unenforceable underground regulations, CalVet should adopt these policies as regulations in accordance with the Administrative Procedure Act.	3	October 2017		
	17. To more effectively and efficiently meet state purchasing and procurement requirements, CalVet should continue implementing quality assurance policies to strengthen its oversight of its purchasing practices, including conducting on-site reviews of the purchasing practices of the veterans homes.	3	December 2017		
Follow-Up—California Department of Veterans Affairs: Better Collection and Use of Data Would Improve Its Outreach Efforts, and It Needs to Strengthen Its Oversight of County Veterans Service Officer Programs 2015-505 (July 2015)	1. CalVet should fully implement the recommendations from our 2009 report.	1	October 2016		
	2. Veterans Services should develop and implement a plan by December 31, 2015, to routinely analyze and use myCalVet data to identify trends in the services veterans and their families indicate they are most interested in and incorporate the results of such analyses into its outreach efforts.	1	December 2016		
<b>California Military Department</b>					
Investigations of Improper Activities by State Agencies and Employees 12014-1 (December 2014) †	3. Establish a routine of completing a monthly inventory of expendable state property after the barcode system is implemented.	1	Unknown		
<b>California Public Utilities Commission</b>					
California Public Utilities Commission: Despite Administrative Weaknesses, It Has Generally Awarded Compensation to Intervenor in Accordance With State Law 2012-118 (July 2013)	2. The commission should determine the cause of its lack of compliance with state law requiring it to issue award decisions within 75 days of the date an intervenor submits a compensation claim, and it should determine what actions to take to rectify the problem. The commission should ensure that it has sufficient information, such as detailed tracking information regarding claims, to identify where in the process delays are occurring. If the commission determines that the current 75-day statutory period is unreasonable, it should seek a change in state law.	3	†		●
	5. To comply fully with state law, the commission should conduct a comprehensive market rate study and update it periodically.	3	December 2017		



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California Public Utilities Commission: Improved Monitoring of Balancing Accounts Would Better Ensure That Utility Rates Are Fair and Reasonable 2013-109 (March 2014)*	14. The commission should follow the requirement in state law to inspect and audit the accounting records of utilities it regulates within required time frames. If the commission chooses to continue to meet this requirement through the general rate case process, it should ensure that all utilities file a general rate case on a regular schedule so as to comply with the state law's audit requirement. However, the commission should follow alternate methods to comply with the audit requirement when a utility will not be filing for its general rate case in time to be audited within three or five years, depending on the timing of the required audit for that utility.	2	June 2017		
California Public Utilities Commission: It Fails to Adequately Ensure Consumers' Transportation Safety and Does Not Appropriately Collect and Spend Fees From Passenger Carriers 2013-130 (June 2014)*	2. To ensure that it resolves complaints against passenger carriers in a timely manner, the commission should establish a method for prioritizing complaints and it should implement a policy specifying the maximum amount of time between the receipt of a complaint and the completion of the subsequent investigation. Further, the commission should require branch management to monitor and report regularly on its performance in meeting that policy.	2	†	●	●
	6. To ensure that the branch conducts thorough investigations of passenger carriers, the commission should implement a formal training program to ensure that all investigators have adequate knowledge and skills related to regulating passenger carriers.	2	†	●	●
	9. To ensure that passenger carriers submit accurate fee payments, the commission should require its fiscal staff to implement a process to verify passenger carrier fee payments and associated revenue.	2	December 2016		
	10. To ensure that it complies with state law and uses passenger carrier fees appropriately, the commission should implement a process to ensure that passenger carrier fee revenues more closely match related enforcement costs.	2	†	●	
	12. To detect and deter carriers from operating illegally at airports, the branch should use as intended the five positions added for passenger carrier enforcement at airports. If the branch chooses not to designate five positions solely for this purpose, then it must be prepared to demonstrate regularly that an equivalent number of full-time positions are working on this activity.	2	November 2016		
	13. To strengthen its leadership and ensure passenger carrier and public safety, the branch should produce a draft strategic plan by December 31, 2014, with a final strategic plan completed as the commission specifies. The strategic plan should include goals for the program; strategies for achieving those goals, including strategies for staff development and training; and performance measures to assess goal achievement.	2	†	●	●
	California Public Utilities Commission: It Needs to Improve the Quality of Its Consumer Complaint Data and the Controls Over Its Information Systems 2014-120 (April 2015)*	3. To ensure that policy makers, enforcement officials, and the general public have access to accurate consumer complaint data in CIMS, the branch should continue to implement its quality management team program component focused on reviewing the categorization of complaints and correcting identified errors.	1	January 2018	
	4. To ensure that policy makers, enforcement officials, and the general public have access to accurate consumer complaint data in CIMS, the branch should develop and implement tools by September 30, 2015, to measure the quality management team program's effectiveness.	1	December 2016		
	11. The commission should ensure that it complies with all policy requirements in SAM Chapter 5300 no later than April 2016.	1	December 2018		

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	12. As part of developing, implementing, and maintaining an entitywide information security program, the commission should complete and maintain inventory of all its information assets, specifically categorizing the level of required security of the information assets based on the potential impact that a loss of confidentiality, integrity, or availability of such information would have on its operations and assets.	1	December 2018		
	13. As part of developing, implementing, and maintaining an entitywide information security program, the commission should develop a risk management and privacy plan and conduct an assessment of risks facing its information assets.	1	December 2018		
	14. As part of developing, implementing, and maintaining an entitywide information security program, the commission should develop, implement, and maintain an information security plan as part of its entitywide information security program.	1	December 2018		
	15. The commission should develop, disseminate, and maintain an incident response plan.	1	January 2018		
	16. The commission should revise its existing recovery plan to include a list of applications supporting critical business functions, their maximum acceptable outage time frames, and detailed recovery strategies for each application.	1	December 2018		
	17. The commission should revise its existing recovery plan to include detailed procedures for rebuilding its technology infrastructure at an alternate processing site.	1	December 2018		
	18. The commission should conduct regular tests and exercises to assess the sufficiency of the revised recovery plan and refine the plan when necessary.	1	December 2018		
	 <b>California's Alternative Energy and Efficiency Initiatives: Two Programs Are Meeting Some Goals, but Several Improvements Are Needed</b> 2014-124 (February 2015)	1. To make certain that the research program contributes to the goals of the solar initiative, the commission should conduct a program evaluation before the remaining grant projects are completed.	1	December 2016	
3. To show how air pollution emissions reductions related to the solar initiative benefit the State, the commission should include in future reports the measurable benefits of those reductions.		1	July 2018		
<b>Department of Finance</b>					
<b>General Obligation Bonds: The Departments of Water Resources and Finance Should Do More to Improve Their Oversight of Bond Expenditures</b> 2010-117 (May 2011)	1. To enhance the value of the Bond Accountability Web site, Finance should require administering agencies to provide information about the actual amounts of bond funds spent on posted projects at least semiannually.	5	Will Not Implement		
	2. To enhance the value of the Bond Accountability website, Finance should develop a tracking and review process to periodically assess the completeness of the project information posted to the website. Such a process should include a review of whether state agencies are describing, in terms the public can easily understand, the expected or realized benefits of bond-funded projects.	5	Will Not Implement		
<b>Office of Ratepayer Advocates</b>					
 <b>California Public Utilities Commission: Improved Monitoring of Balancing Accounts Would Better Ensure That Utility Rates Are Fair and Reasonable</b> 2013-109 (March 2014)*	7. To further its mission to obtain the lowest possible rates for reliable and safe utility service for ratepayers through its reviews of balancing accounts, Ratepayer Advocates should use the commission's list of balancing accounts to guide its selection of the number, size, and type of balancing accounts to review so that its review coverage is more proportional across all utilities.	2	Will Not Implement		



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<b>LEGISLATIVE, JUDICIAL, AND EXECUTIVE</b>					
<b>Administrative Office of the Courts</b>					
Judicial Branch Procurement: Semiannual Reports to the Legislature Are of Limited Usefulness, Information Systems Have Weak Controls, and Certain Improvements in Procurement Practices Are Needed 2013-302 and 2013-303 (December 2013)*	2. To improve the usefulness of the Judicial Council's semiannual reports until a statutory requirement is enacted, the AOC should work with the Judicial Council to pursue a cost-effective method to provide the semiannual reports in an electronic format that can be read by common database and spreadsheet software products that allow users to readily sort and filter the data, beginning with the semiannual report covering the July 1, 2013 through December 31, 2013, reporting period.	2	†		●
	3. To improve the usefulness of the Judicial Council's semiannual reports until a statutory requirement is enacted, the AOC should work with the Judicial Council to pursue a cost-effective method to do the following: <ul style="list-style-type: none"> <li>• Include new contracts and the complete history of contracts amended during the reporting period in the semiannual reports, including the date of the original contract; the original contract amount and duration; all subsequent contract amendments; and the date, amount, and duration of each such amendment. The AOC should present this information beginning with the semiannual report covering the July 1, 2014, through December 31, 2014, reporting period.</li> </ul>	2	Will Not Implement		
	4. To improve the usefulness of the Judicial Council's semiannual reports until a statutory requirement is enacted, the AOC should work with the Judicial Council to pursue a cost-effective method to do the following: <ul style="list-style-type: none"> <li>• Begin tracking additional information in its data systems for inclusion in the semiannual reports. This information should include whether a contract was competitively bid, the justification if it was not competitively bid, and whether the contract was with a Disabled Veteran Business Enterprise. For information technology contracts, the AOC should identify whether the contract was with a small business. The AOC should present this information beginning with the semiannual report covering the July 1, 2014, through December 31, 2014, reporting period.</li> </ul>	2	Will Not Implement		
	5. The AOC should implement all of the best practices related to general and business process application controls as outlined in the U.S. Government Accountability Office's Federal Information System Controls Audit Manual no later than December 31, 2014, thereby strengthening and continuously monitoring the effectiveness of the controls over its information systems. In addition, the AOC should immediately begin implementing improvements to its controls over access to its information systems and place these improvements into effect by February 2014. Finally, the AOC should provide guidance and routinely follow up with the superior courts—requiring updates every six months until all identified issues are corrected—to ensure that they make the necessary improvements to their general and business process application controls.	2	Unknown		
	6. The AOC, the Supreme Court, and the first, second, and fourth districts should implement procedures to ensure that they follow a competitive process for their procurements when required.	2	Will Not Implement		
	13. The AOC should revise the judicial contracting manual to require judicial entities to maintain documentation on their determinations of fair and reasonable pricing for purchases under \$5,000.	2	Will Not Implement		


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 <b>Judicial Branch of California: Because of Questionable Fiscal and Operational Decisions, the Judicial Council and the Administrative Office of the Courts Have Not Maximized the Funds Available for the Courts 2014-107 (January 2015)*</b>	17. The AOC should revise the judicial contracting manual to require that judicial entities maintain documentation for their evaluation and selection process used for competitive procurements. The AOC should also strengthen its procedures to ensure that bid evaluations are conducted properly and calculated correctly.	2	Will Not Implement		
	20. The AOC, HCRC, Supreme Court, and fourth and fifth districts should implement procedures to ensure that required noncompetitive procurement processes, such as preparing justifications and obtaining approval for sole-source procurements, are properly documented. Additionally, the AOC should ensure that it prepares the appropriate documentation when it amends a contract that it has competitively solicited and the amendment includes a change that was not evaluated in the original competitive process.	2	Will Not Implement		
	25. The AOC should implement procedures to ensure that its internal controls over payments are followed and that procurements are approved before ordering and receiving goods and services.	2	Will Not Implement		
	3. To ensure that its compensation structure is reasonable, the AOC should mirror the executive branch's practices for offering leave buyback programs in terms of frequency and amount.	1	Will Not Implement		
	4. To increase its efficiency and decrease its travel expenses, the AOC should require its directors and managers to work in the same locations as the majority of their staff unless business needs clearly require the staff to work in different locations than their managers.	1	Will Not Implement		
	11. To reduce its expenses, the AOC should cease its excessive reimbursements for meals by adopting the executive branch's meal and travel reimbursement policies.	1	Will Not Implement		
	14. To ensure that it spends funds appropriately, the AOC should develop and implement controls to govern how its staff can spend judicial branch funds. These controls should include specific definitions of local assistance and support expenditures, written fiscal policies and procedures as the rules of court require, and a review process.	1	December 2017		
	19. The AOC should conduct a comprehensive survey of the courts on a regular schedule—at least every five years—to ensure that the services it provides align with their responses. The AOC should re-evaluate any services that the courts identify as being of limited value or need.	1	†		●
	20. To justify its budget and staffing levels, the AOC should conduct the steps in CalHR's workforce planning model in the appropriate order. It should begin by establishing its mission and creating a strategic plan based on the needs of the courts. It should then determine the services it should provide to achieve the goals of that plan. The AOC should base its future staffing changes on the foundation CalHR's workforce planning model provides. Finally, the AOC should develop and use performance measures to evaluate the effectiveness of this effort.	1	Unknown		
	<b>California Department of Justice</b>				
<b>Armed Persons With Mental Illness: Insufficient Outreach From the Department of Justice and Poor Reporting From Superior Courts Limit the Identification of Armed Persons With Mental Illness 2013-103 (October 2013)*</b>	23. To reduce the risk that it may not identify an armed prohibited person, Justice should revise its electronic matching process to use all personal identifying numbers available in its databases.	3	Unknown		

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	24. To ensure that timely information is available for its efforts to identify armed prohibited persons and confiscate their firearms, Justice should manage staff priorities to meet both its statutory deadline for firearms background checks and its internal deadline for initially reviewing potential prohibited persons. Justice should report annually to the Legislature about the backlog of unreviewed potential prohibited persons and what factors have prohibited it from efficiently reviewing these persons.	3	†	●	●
	34. To ensure that it fully supports its decision to apply federal prohibition terms to individuals, Justice should review all applicable federal and state laws and continue to seek clarification from the ATF and any other appropriate federal agencies to determine whether California's firearms restoration process meets federal criteria and, if not, why it does not. Justice should issue a report to the Legislature, within one year, detailing the results of its review and, if applicable, communicate why California's restoration process does not meet federal criteria and the impact that it has on prohibited persons who live in California.	3	December 2016		
Sexual Assault Evidence Kits: Although Testing All Kits Could Benefit Sexual Assault Investigations, the Extent of the Benefits Is Unknown 2014-109 (October 2014)	4. To report to the Legislature about the effectiveness of its RADS program and to better inform decisions about expanding the number of analyzed sexual assault evidence kits, Justice should amend its agreements with the counties participating in the RADS program to require those counties to report case outcome information, such as arrests and convictions for the sexual assault evidence kits Justice has analyzed under the program. Justice should then report annually to the Legislature about those case outcomes.	2	†		●
<b>California Governor's Office of Emergency Services II</b>					
California's Mutual Aid System: The California Emergency Management Agency Should Administer the Reimbursement Process More Effectively 2011-103 (January 2012)*	1. To make certain that emergency response agencies receive reimbursements on time, Cal EMA should establish procedures to ensure that paying entities do not delay reimbursements.	4	October 2017		
	7. If FEMA determines that the calculations and claims identified in the Office of Inspector General's audit report were erroneous, Cal EMA should modify the time sheets to track the actual hours that the responding agency works as well as the dates and times that the agency committed to the incident and returned from the incident.	4	December 2016		
	8. If FEMA determines that the calculations and claims identified in the Office of Inspector General's audit report were erroneous, Cal EMA should ensure that the replacement for its current invoicing system can calculate the maximum number of reimbursable personnel hours under both FEMA's policy and the CFAA.	4	December 2016		
Special Interest License Plate Funds: The State Has Foregone Certain Revenues Related to Special Interest License Plates and Some Expenditures Were Unallowable or Unsupported 2012-110 (April 2013)*	11. To make certain that money from the special plate funds pay only for allowable and supportable activities, Cal EMA should maintain documentation to support its charges to the antiterrorism fund. For example, it should ensure that employees submit signed time reports to support the time they spend on antiterrorism-related activities.	3	Will Not Implement		
<b>California Health Facilities Financing Authority</b>					
Children's Hospital Program: The California Health Facilities Financing Authority Has Generally Complied With Laws and Regulations and Resolved Its Issue Related to High Fund Balances 2015-042 (September 2015)	1. The authority should amend its regulations to bring them into accord with the 2004 act, thus allowing any eligible hospital to apply for the 2004 act's funds that remained as of June 30, 2014.	1	Will Not Implement		



F

REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	NUMBER OF YEARS RECOMMENDATION HAS APPEARED IN THIS REPORT	ESTIMATED DATE OF COMPLETION	STATE AUDITOR'S ASSESSMENT	
				AUDITEE DID NOT SUBSTANTIATE ITS CLAIM OF FULL IMPLEMENTATION	AUDITEE DID NOT ADDRESS ALL ASPECTS OF THE RECOMMENDATION
<b>Judicial Council of California</b>					
 Judicial Branch of California: Because of Questionable Fiscal and Operational Decisions, the Judicial Council and the Administrative Office of the Courts Have Not Maximized the Funds Available for the Courts 2014-107 (January 2015)*	1. To ensure that the compensation the AOC provides is reasonable, the Judicial Council should adopt procedures that require a regular and thorough review of the AOC's compensation practices including an analysis of the job duties of each position to ensure that the compensation aligns with the requirements of the position. This review should include comparable executive branch salaries, along with a justification when an AOC position is compensated at a higher level than a comparable executive branch position.	1	Will Not Implement		
	15. The Judicial Council should develop rules of court that create a separate advisory body, or amend the current advisory committee's responsibilities and composition, that reports directly to the Judicial Council to review the AOC's state operations and local assistance expenditures in detail to ensure they are justified and prudent. This advisory body should be composed of subject matter experts with experience in public and judicial branch finance.	1	†		●
	21. To ensure that it provides services to the trial courts as efficiently as possible, the Judicial Council should explore implementing a fee-for-service model for selected services. These services could include those that are little used or of lesser value to the trial courts, as identified in our survey that we discuss in Chapter 3.	1	Unknown		
	22. To justify the budget and staff level of the AOC, the Judicial Council should implement some or all of the best practices we identified to improve the transparency of AOC spending activities.	1	Unknown		
<b>Secretary of State's Office</b>					
Office of the Secretary of State: It Must Do More to Ensure Funds Provided Under the Federal Help America Vote Act Are Spent Effectively 2012-112 (August 2013)	4. To enhance the value of the HAVA spending plan as a transparency and accountability tool for the Legislature, the Office should make the following modifications to its annual HAVA spending plan: <ul style="list-style-type: none"> <li>Clearly state the methodology used to report prior HAVA expenditures in the HAVA spending plan. Such a methodology should use the financial information contained in its accounting system.</li> <li>Reconcile the prior HAVA expenditures with the year-end financial reports the Office provides to the California State Controller's Office.</li> <li>Present prior HAVA expenditures by activity and by specific appropriation.</li> </ul>	3	Will Not Implement		
	5. To ensure the State complies with the NVRA, the Office should take all necessary steps, including seeking any necessary legislative changes, and work with the DMV to modify the driver's license application so that it may simultaneously serve as a form for voter registration.	3	Will Not Implement		
<b>State Bar of California</b>					
State Bar of California: It Has Not Consistently Protected the Public Through Its Attorney Discipline Process and Lacks Accountability 2015-030 (June 2015)*	7. To ensure that the audit and review unit's random audits of closed case files provide an effective oversight mechanism, the State Bar should follow its policy to conduct and record meetings and trainings related to the audit report's recommendations.	1	December 2016		
<b>State Board of Equalization</b>					
 State Board of Equalization Building: Despite Ongoing Health and Safety Concerns, the State Has Not Thoroughly Analyzed the Costs and Benefits of Relocating Employees 2014-108 (September 2014)*	4. To ensure that it can accurately estimate any shifts in worker productivity and state revenue, BOE should strengthen its current methodology by analyzing the productivity and revenue collection of its employees and by monitoring those metrics at least semiannually. Additionally, BOE should support its methodology with documentation.	2	October 2017		

REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	NUMBER OF YEARS RECOMMENDATION HAS APPEARED IN THIS REPORT	ESTIMATED DATE OF COMPLETION	STATE AUDITOR'S ASSESSMENT	
				AUDITEE DID NOT SUBSTANTIATE ITS CLAIM OF FULL IMPLEMENTATION	AUDITEE DID NOT ADDRESS ALL ASPECTS OF THE RECOMMENDATION
<b>State Controller's Office</b>					
 High Risk Update: State Agencies Credited Their Employees With Millions of Dollars Worth of Unearned Leave 2012-603 (August 2014)*	4. To improve the accuracy of information in the leave accounting system and to ensure that agencies do not improperly credit employees with leave in the future, the state controller should implement additional controls by June 2015 to prevent the leave accounting system from processing the types of inappropriate transactions we identified in our statewide electronic analysis. For example, it could develop cost-effective controls in the leave accounting system that would prevent employees from receiving annual leave and sick leave during the same pay period.	2	Summer 2017		
<b>Superior Court of California, County of Sacramento</b>					
Sacramento and Marin Superior Courts: Both Courts Need to Ensure That Family Court Appointees Have Necessary Qualifications, Improve Administrative Policies and Procedures, and Comply With Laws and Rules 2009-109 (January 2011)	6. To make certain that the FCS evaluators are qualified, the Sacramento family court should develop processes to ensure that it signs all FCS evaluator declarations of qualifications annually.	5	Will Not Implement		
	7. To make certain that the FCS evaluators are qualified, the Sacramento family court should ensure that its unlicensed FCS evaluators complete the licensing portion of the annual declarations of qualifications.	5	Will Not Implement		
	8. To make certain that the FCS evaluators are qualified, the Sacramento family court should identify the training each of the FCS evaluators need to satisfy the court rules' requirements and ensure that they attend the trainings.	5	Will Not Implement		
	10. To make certain that the FCS evaluators are qualified, the Sacramento family court should develop processes to ensure that evaluator declarations of qualifications include all relevant information, such as the evaluator's experience.	5	Will Not Implement		
	12. To make certain that the FCS evaluators are qualified, the Sacramento family court should take all reasonable steps to ensure its FCS evaluators meet the minimum qualifications and training requirements before assigning them to any future Family Code Section 3111 evaluations. If necessary, and as soon as reasonably possible, the court should require the FCS evaluators to take additional education or training courses to compensate for the minimum qualifications and training requirements that were not met.	5	Will Not Implement		
	16. To verify that its private mediator and evaluator panel members meet the minimum qualifications and training requirements before appointment, the Sacramento family court should obtain any missing applications and training records for private mediators and evaluators on its current panel list before appointing them to future cases.	5	Will Not Implement		
	20. To verify that its private mediator and evaluator panel members meet the minimum qualifications and training requirements before appointment, the Sacramento family court should reinstate its local rules for private mediators and evaluators to provide a minimum of three references, and for private evaluators to provide a statement that they have read the court's evaluator guidelines.	5	Will Not Implement		
	23. To make sure that the minor's counsel it appoints meet the additional standards required by the superior court's local rules, the Sacramento family court should obtain any missing applications for minor's counsel before appointing them to any future cases.	5	Will Not Implement		



REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	NUMBER OF YEARS RECOMMENDATION HAS APPEARED IN THIS REPORT	ESTIMATED DATE OF COMPLETION	STATE AUDITOR'S ASSESSMENT	
				AUDITEE DID NOT SUBSTANTIATE ITS CLAIM OF FULL IMPLEMENTATION	AUDITEE DID NOT ADDRESS ALL ASPECTS OF THE RECOMMENDATION
	42. To strengthen its accounting process for California Family Code Section 3111 evaluations, the Sacramento Superior Court should update its accounting procedures related to billing FCS evaluation costs to include steps for verifying the mathematical accuracy of the FCS summary and the proper allocation of costs between the parties.	5	Will Not Implement		

\* Other recommendations pertaining to this audit, which have been fully implemented, can be found in Table 3.

† Contrary to the California State Auditor's (State Auditor) determination, the auditee believes it has fully implemented the recommendation.





‡ Before publishing a report of an investigation, the State Auditor provides the head of each department or agency involved with a copy of the investigative report, including any recommendations. Therefore, in calculating how long a recommendation has been outstanding, the State Auditor uses the date the investigative report was provided to the department or agency, not the date the report was published. The investigative reports for the cases published in I2010-1045 were provided to the involved departments and agencies in May 2013. The investigative reports for the cases published in I2010-2 were provided to the involved departments and agencies in January 2011. The investigative reports for the cases published in I2012-1 were provided to the involved departments and agencies in October 2012. The investigative reports for the cases published in I2014-1 were provided to the involved departments and agencies in December 2014. The investigative reports for the cases published in I2015-1 were provided to the involved departments and agencies in August 2015.






§ As of July 2012, the California Department of Mental Health became the Department of State Hospitals.


|| As of July 1, 2013, the California Emergency Management Agency became the California Governor's Office of Emergency Services.

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**Table 3**  
**Recommendations Made to State Entities That Are More Than One Year Old and Were Fully Implemented or Resolved Since Last Year’s Report or the Entities’ One-Year Responses (Reports Issued From November 2009 Through October 2015)**

REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	STATUS	NUMBER OF YEARS RECOMMENDATION HAS APPEARED IN THIS REPORT
<b>K–12 EDUCATION</b>			
<b>California Department of Education</b>			
 California Department of Education: Despite Some Improvements, Oversight of the Migrant Education Program Remains Inadequate 2012-044 (February 2013)*	3. To improve its understanding of regional expenditures, Education should increase the level of detail required in its quarterly expenditure reports. The level of detail should allow Education to select expenditures for review.	Fully Implemented	3
	4. For regions that have not recently received a federal monitoring review, Education should use the detailed expenditure reports to select a sample of expenditures, request supporting documentation from the regions, and then review the expenditures to determine if they meet applicable federal and state criteria.	Fully Implemented	3
	5. As part of the reviews based on quarterly reports, Education should verify that regions are using the appropriate accounting codes to classify their expenditures.	Fully Implemented	3
	11. Once it has addressed the underlying issues with regional accounting, provided direction to regions about which expenditures it will consider administrative, and obtained accurate expenditure data, Education should review its administrative cost goal to ensure that this goal is reasonable given the requirements of the migrant program.	Fully Implemented	3
	12. To address past federal findings that are not yet resolved, Education should respond as recommended in Appendix B of the report.	Fully Implemented	3
 School Safety and Nondiscrimination Laws: Most Local Educational Agencies Do Not Evaluate the Effectiveness of Their Programs, and the State Should Exercise Stronger Leadership 2012-108 (August 2013)*	17. To provide stronger leadership with respect to school safety and nondiscrimination laws, Education, with direction from the superintendent of public instruction, should prioritize the review of parent, student, guardian, or interested party appeals to ensure that the EO office follows state regulations by processing appeals more promptly, notifying LEAs of when appeals are filed, and obtaining the investigation files and other documents when reviewing complaint appeals.	Fully Implemented	3
<b>Commission On Teacher Credentialing</b>			
Commission on Teacher Credentialing—Follow-Up Review 2014-502 (July 2014)	1. To make its strategic plan a more useful mechanism for accomplishing its mission, the Commission on Teacher Credentialing (commission) should ensure that, to the extent possible, its goals have timelines and are measurable. Further, the commission should periodically evaluate and track its progress towards meeting its goals.	Fully Implemented	2
<b>HIGHER EDUCATION</b>			
<b>California State University, Chico</b>			
 Sexual Harassment and Sexual Violence: California Universities Must Better Protect Students by Doing More to Prevent, Respond to, and Resolve Incidents 2013-124 (June 2014)*	18. All universities should provide their education on sexual harassment and sexual violence to incoming students as close as possible to when they arrive on campus but no later than the first few weeks of their first semester or quarter. Further, universities should provide periodic refresher educational programs, at least annually, to all students on campus to ensure that they are aware of how to handle and report incidents of sexual harassment and sexual violence.	Fully Implemented	2
	68. To identify ways to better serve their students, all universities should create a summary of student incidents of sexual harassment and sexual violence reported to the various departments on campus. Each university should evaluate its summary data to identify trends specific to the demographics, as well as the timing, location, and frequency of incidents, to better inform its strategies to protect students and direct its outreach efforts.	Fully Implemented	2
<b>California State University, San Diego</b>			
 Sexual Harassment and Sexual Violence: California Universities Must Better Protect Students by Doing More to Prevent, Respond to, and Resolve Incidents 2013-124 (June 2014)*	7. To help ensure that university faculty and staff do not mishandle student reports of incidents, all faculty and staff should receive training annually, consistent with their role, on their obligations in responding to and reporting incidents of sexual harassment and sexual violence.	Fully Implemented	2
	19. All universities should provide their education on sexual harassment and sexual violence to incoming students as close as possible to when they arrive on campus but no later than the first few weeks of their first semester or quarter. Further, universities should provide periodic refresher educational programs, at least annually, to all students on campus to ensure that they are aware of how to handle and report incidents of sexual harassment and sexual violence.	Fully Implemented	2

REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	STATUS	NUMBER OF YEARS RECOMMENDATION HAS APPEARED IN THIS REPORT
	69. To identify ways to better serve their students, all universities should create a summary of student incidents of sexual harassment and sexual violence reported to the various departments on campus. Each university should evaluate its summary data to identify trends specific to the demographics, as well as the timing, location, and frequency of incidents, to better inform its strategies to protect students and direct its outreach efforts.	Fully Implemented	2
<b>The California State University</b>			
 Sexual Harassment and Sexual Violence: California Universities Must Better Protect Students by Doing More to Prevent, Respond to, and Resolve Incidents 2013-124 (June 2014)*	4. The Office of the Chancellor should direct all of the universities within the CSU system to comply with the recommendations in this audit report. Also, to ensure that its universities are complying with Title IX requirements, the Office of the Chancellor should conduct routine Title IX reviews. When conducting these compliance reviews, the Office of the Chancellor should determine whether universities have implemented this report's recommendations.	Fully Implemented	2
<b>University of California, Berkeley</b>			
 Sexual Harassment and Sexual Violence: California Universities Must Better Protect Students by Doing More to Prevent, Respond to, and Resolve Incidents 2013-124 (June 2014)*	24. All universities should provide supplemental training on sexual harassment and sexual violence, including sexual assault, for all student athletes on an annual basis. Further, the universities should provide supplemental training on sexual harassment and sexual violence, including rape awareness, to all student members of fraternities and sororities on an annual basis. The universities should also determine which student organizations participate in activities that may place students at risk and ensure that they receive annual, supplemental training on sexual harassment and sexual violence, including rape awareness. Each of the trainings should be focused on situations the members of the respective student groups may encounter.	Fully Implemented	2
	70. To identify ways to better serve their students, all universities should create a summary of student incidents of sexual harassment and sexual violence reported to the various departments on campus. Each university should evaluate its summary data to identify trends specific to the demographics, as well as the timing, location, and frequency of incidents, to better inform its strategies to protect students and direct its outreach efforts.	Fully Implemented	2
<b>University of California, Los Angeles</b>			
 Sexual Harassment and Sexual Violence: California Universities Must Better Protect Students by Doing More to Prevent, Respond to, and Resolve Incidents 2013-124 (June 2014)*	25. All universities should provide supplemental training on sexual harassment and sexual violence, including sexual assault, for all student athletes on an annual basis. Further, the universities should provide supplemental training on sexual harassment and sexual violence, including rape awareness, to all student members of fraternities and sororities on an annual basis. The universities should also determine which student organizations participate in activities that may place students at risk and ensure that they receive annual, supplemental training on sexual harassment and sexual violence, including rape awareness. Each of the trainings should be focused on situations the members of the respective student groups may encounter.	Fully Implemented	2
	71. To identify ways to better serve their students, all universities should create a summary of student incidents of sexual harassment and sexual violence reported to the various departments on campus. Each university should evaluate its summary data to identify trends specific to the demographics, as well as the timing, location, and frequency of incidents, to better inform its strategies to protect students and direct its outreach efforts.	Fully Implemented	2
<b>HEALTH AND HUMAN SERVICES</b>			
<b>California Department of Public Health</b>			
 Department of Public Health: It Reported Inaccurate Financial Information and Can Likely Increase Revenues for the State and Federal Health Facilities Citation Penalties Accounts 2010-108 (June 2010)	1. To ensure that citation review conferences are completed expeditiously, Public Health should continue to take steps to eliminate its backlog of appeals awaiting a citation review conference.	Fully Implemented	6
 Developmental Centers: Poor-Quality Investigations, Outdated Policies, Leadership and Staffing Problems, and Untimely Licensing Reviews Put Residents at Risk 2012-107 (July 2013)*	15. To conduct licensing surveys at required intervals while minimizing additional workload, Public Health should explore further opportunities to coordinate the licensing and certification surveys. If Public Health questions the value of these surveys, it should seek legislation to modify the surveying requirements.	Resolved	3
	17. To ensure that investigations are conducted on a timely basis across priority levels, Public Health should develop and implement target time frames for the priority levels that lack them. Public Health should ensure that the timelines are being met and, if not, explore new ways to increase efficiency and manage its workload, thereby facilitating timely investigations.	Fully Implemented	3
California Department of Public Health: It Has Not Effectively Managed Investigations of Complaints Related to Long-Term Health Care Facilities 2014-111 (October 2014)*	2. To protect the health, safety, and well-being of residents in long-term health care facilities, Public Health should improve its oversight of complaint processing. Specifically, by January 1, 2015, Public Health should improve the accuracy of information in the spreadsheet that PCB uses to track the status of complaints against individuals and review the reports of open complaints to ensure that all complaints are addressed promptly.	Fully Implemented	2

REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	STATUS	NUMBER OF YEARS RECOMMENDATION HAS APPEARED IN THIS REPORT	
	6. To ensure that district offices address ERIs consistently and to ensure that they investigate ERIs in the most efficient manner, Public Health should use the information from its assessment to provide guidance to district offices by October 1, 2015, on best practices for consistent and efficient processing of ERIs.	Fully Implemented	2	
	11. Public Health should take steps to ensure that PCB has the resources necessary on an ongoing basis to complete investigations of complaints against individuals. Specifically, Public Health should assess whether the temporary resources it has received are adequate to reduce the number of open complaints to a manageable level. This assessment should also determine whether permanent resources assigned to PCB are adequate to address future complaints. Public Health should use this assessment to request additional resources, if necessary.	Fully Implemented	2	
<b>California Department of Social Services</b>				
	<b>High Risk: State Departments Need to Improve Their Workforce and Succession Planning Efforts to Mitigate the Risks of Increasing Retirements</b> 2015-608 (May 2015)	11. Social Services should develop a process by December 2015 to measure and evaluate its workforce and succession planning activities at least annually, and update its plans as necessary, to ensure that its activities are effective. This process should include evaluating the trends in retirements for leadership and technical positions.	Fully Implemented	1
	13. Social Services should identify a key resource, such as a unit, by June 30, 2015, to track the results of workforce and succession planning activities across the department to ensure that the workforce and succession planning activities it implements are monitored on a departmentwide level.	Fully Implemented	1	
	15. Social Services should update its existing workforce and succession plan by December 2015 to ensure that the department is adequately prepared for the retirement of a significant number of its highly experienced employees. The plan should include current best practices that meet its organizational needs.	Fully Implemented	1	
<b>Follow-Up—California Department of Social Services: It Has Not Corrected Previously Recognized Deficiencies in Its Oversight of Counties' Antifraud Efforts for the CalWORKs and CalFresh Programs</b> 2015-503 (June 2015)*	1. To ensure that staff monitor both counties' processing of match lists and counties' reporting of investigation activity in a consistent and effective manner, Social Services should develop and document formal procedures for the IEVS and SIU review processes.	Fully Implemented	1	
	10. To ensure that counties are consistently following up on all match lists, Social Services should better enforce the counties' implementation of its recommendations from the IEVS reviews and verify implementation of the corrective action plans that counties submit.	Fully Implemented	1	
	14. To ensure the accuracy and consistency of the information on welfare fraud activities that counties report and that Social Services subsequently reports to the federal government, the Legislature, and internal users, Social Services should perform more diligent reviews of the counties' investigation activity reports to verify the accuracy of the information submitted.	Fully Implemented	1	
	15. To ensure the accuracy and consistency of the information on welfare fraud activities that counties report and that Social Services subsequently reports to the federal government, the Legislature, and internal users, Social Services should provide counties with feedback on how to correct and prevent errors that it detects while reviewing counties' investigation activity reports.	Fully Implemented	1	
<b>Follow-Up—California Department of Social Services: Although Making Progress, It Could Do More to Ensure the Protection and Appropriate Placement of Foster Children</b> 2015-502 (July 2015)*	2. To improve its review process, preserve institutional knowledge, and ensure that staff consistently implement registered sex offender reviews in the future, Social Services should better document its review procedures. For example, Social Services should better document its screening process by identifying criteria for determining when it is acceptable to exclude certain address matches from investigation and by providing an explanation to staff for why it is safe to remove address matches that meet those particular criteria.	Fully Implemented	1	
<b>California Health Benefit Exchange</b>				
<b>New High Risk Entity: Covered California Appears Ready to Operate California's First Statewide Health Insurance Exchange, but Critical Work and Some Concerns Remain</b> 2013-602 (July 2013)	2. To comply with federal requirements, Covered California should develop a plan and procedures for monitoring, recertification, and decertification of qualified health plans.	Fully Implemented	3	
	3. To ensure the success of its outreach effort, Covered California should track the effect on enrollment figures of its planned outreach and marketing activities and of its assister program.	Fully Implemented	3	
	<b>California State Government Websites: Departments Must Improve Website Accessibility So That Persons With Disabilities Have Comparable Access to State Services Online</b> 2014-131 (June 2015)*	8. No later than December 1, 2015, Covered California should develop a plan to determine whether the accessibility violations we identified exist on other portions of its online presence that we did not include in the scope of our review. Once this plan is executed, it should correct violations wherever it finds them and do so no later than June 1, 2016.	Fully Implemented	1

REPORT TITLE, NUMBER,  
AND ISSUE DATE

## RECOMMENDATION

## STATUS

NUMBER OF YEARS  
RECOMMENDATION  
HAS APPEARED IN  
THIS REPORT

## Department of Developmental Services



Developmental Centers: Poor-Quality Investigations, Outdated Policies, Leadership and Staffing Problems, and Untimely Licensing Reviews Put Residents at Risk  
2012-107 (July 2013)\*

3. To ensure adequate guidance to OPS personnel, once the department has amended OPS's policies and procedures to reflect the recommendations we have included here, the department and OPS should place a high priority on completing and implementing its planned updates to the OPS policy and procedure manual.

Fully Implemented

3

13. The department should create specific measurable goals for OPS that include existing and new measures associated with each one, such as staffing, overtime, and the timely completion of investigations. In addition, the department should perform a regular review of the quality of OPS's activities and investigations to achieve those goals. The department should track progress in quality measures over time and adjust its training plans to increase OPS law enforcement personnel's skill and compliance with established policies and procedures.

Fully Implemented

3

California Department of Developmental Services: Its Process for Assessing Fees Paid by Parents of Children Living in Residential Facilities Is Woefully Inefficient and Inconsistent  
2014-118 (January 2015)\*

10. To efficiently locate records pertinent to the Parental Fee Program, Developmental Services should update its retention policy and centralize all the files and records supporting the program.

Fully Implemented

1

## Department of Health Care Services

Medi-Cal Managed Care Program: The Departments of Managed Health Care and Health Care Services Could Improve Their Oversight of Local Initiatives Participating in the Medi-Cal Two-Plan Model  
2011-104 (December 2011)

6. Health Care Services should ensure that it performs annual medical audits of local initiatives as required by law.

Fully Implemented

4

California Department of Health Care Services: Its Failure to Properly Administer the Drug Medi-Cal Treatment Program Created Opportunities for Fraud  
2013-119 (August 2014)\*

2. To ensure that the providers receive reimbursement for only valid services, Health Care Services should immediately develop and implement new procedures for routinely identifying and initiating recovery efforts for payments that it authorizes between the effective date of a provider's decertification and the date it became aware of the decertification, in addition to the payments it authorizes between a beneficiary's death date and its receipt of the death record.

Fully Implemented

2

4. To ensure that the providers receive reimbursement for only valid services, Health Care Services should immediately direct its investigations division to determine whether it should recover any overpayments for the high-risk payments we identified in Table 7 on page 28 and Appendix A beginning on page 63. It should also take the appropriate disciplinary action against the affected providers, such as suspension or termination.

Fully Implemented

2

6. To ensure that the providers receive reimbursement for only valid services, Health Care Services should immediately direct its fiscal management and accountability branch to work with Fresno, Los Angeles, and Sacramento counties to recover the specific overpayments we identified during our visits.

Fully Implemented

2

California Department of Health Care Services: It Should Improve Its Administration and Oversight of School-Based Medi-Cal Programs  
2014-130 (August 2015)\*

15. To better ensure that some claiming units do not unfairly disadvantage other claiming units in the receipt of interim payments, Health Care Services should explore opportunities to expedite consistent, timely, and fair interim payments to those claiming units with no overpayments. Health Care Services should involve representatives of local educational consortia, local governmental agencies, and claiming units in these efforts and communicate the results to interested stakeholders.

Fully Implemented

1

## Department of State Hospitals II



Sex Offender Commitment Program: Streamlining the Process for Identifying Potential Sexually Violent Predators Would Reduce Unnecessary or Duplicative Work  
2010-116 (July 2011)\*

2. To eliminate duplicative effort and increase efficiency, Corrections should not make unnecessary referrals to Mental Health. Corrections and Mental Health should jointly revise the structured screening instrument so that the referral process adheres more closely to the law's intent.

Resolved

5

## Mental Health Services Oversight and Accountability Commission



Mental Health Services Act: The State's Oversight Has Provided Little Assurance of the Act's Effectiveness, and Some Counties Can Improve Measurement of Their Program Performance  
2012-122 (August 2013)\*

9. To ensure that counties have needed guidance to implement and evaluate MHSA programs, the Accountability Commission should issue regulations, as appropriate, for Prevention and Innovation programs.

Fully Implemented

3

## CORRECTIONS AND REHABILITATION

## Board of State and Community Corrections

Juvenile Justice Realignment: Limited Information Prevents a Meaningful Assessment of Realignment's  
2011-129 (September 2012)\*

1. To improve the usefulness of its reports so that they can be used to assess the outcomes of realignment, the board should work with counties and relevant stakeholders, such as the committee that established performance outcome measures for the block grant, to determine the data that counties should report. To minimize the potential for creating a state mandate, the board should take into consideration the information that counties already collect to satisfy requirements for other grants.

Fully Implemented

4

REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	STATUS	NUMBER OF YEARS RECOMMENDATION HAS APPEARED IN THIS REPORT
	2. To improve the usefulness of its reports so that they can be used to assess the outcomes of realignment, if the Legislature chooses not to change the law as suggested, or if the counties are unable to report countywide statistics, the board should discontinue comparing outcomes for juveniles who receive block grant services to those who do not in its reports.	Fully Implemented	4
	4. To maximize the usefulness of the information it makes available to stakeholders and to increase accountability, the board should publish performance outcome and expenditure data for each county on its website and in its annual reports.	Resolved	4
	6. To increase the amount of juvenile justice data the counties make available to the public, the board should work with counties on how best to report these data.	Fully Implemented	4

**California Correctional Health Care Services†**



California Department of Corrections and Rehabilitation: Inmates Sentenced Under the Three Strikes Law and a Small Number of Inmates Receiving Specialty Health Care Represent Significant Costs  
2009-107.2 (May 2010)

6. To determine whether the additional expansion of telemedicine is cost-effective within the California correctional system, Prison Health Care Services should further analyze the cost-effectiveness of telemedicine through a more robust estimate of savings, including considering factors such as the percent of telemedicine consultations that required subsequent in-person visits because the issue could not be addressed through telemedicine.	Resolved	6
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**California Department of Corrections and Rehabilitation**



California Department of Corrections and Rehabilitation: Inmates Sentenced Under the Three Strikes Law and a Small Number of Inmates Receiving Specialty Health Care Represent Significant Costs  
2009-107.2 (May 2010)

1. To address the erroneous sentencing information and inappropriately assigned convictions in its data system, Corrections should complete its cleanup of data that will be transferred into the new system, ensuring that this review includes a detailed evaluation of convictions that have been assigned outdated sentencing information as well as deleting erroneous sentencing information, before it begins using its new data system.	Fully Implemented	6
10. To better communicate to policy makers the annual cost of incarceration, and to provide a more accurate estimate of expenditures associated with changes in the large leave balances of custody staff—many of whom require relief coverage when they are absent—Corrections should provide a calculation of the annual increase or decrease in its liability for the leave balances of custody staff to better explain the cause of changes in expenditures to the relevant legislative policy and fiscal committees.	Fully Implemented	6
11. To better communicate to policy makers the annual cost of incarceration, and to provide a more accurate estimate of expenditures associated with changes in the large leave balances of custody staff—many of whom require relief coverage when they are absent—Corrections should provide an estimate of the annual cost of leave balances likely to be paid for retiring custody staff to the relevant legislative policy and fiscal committees.	Fully Implemented	6

California Prison Industry Authority: It Can More Effectively Meet Its Goals of Maximizing Inmate Employment, Reducing Recidivism, and Remaining Self-Sufficient  
2010-118 (May 2011)

6. As Corrections prepares to move CalParole data into the Strategic Offender Management System (SOMS), it should modify existing employment-related fields and add to SOMS new fields that are currently not available in CalParole so that Corrections can minimize the opportunity for erroneous data entries and make employment data more reliable.	Fully Implemented	5
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Department of Corrections and Rehabilitation: The Benefits of Its Correctional Offender Management Profiling for Alternative Sanctions Program Are Uncertain  
2010-124 (September 2011)\*

2. To ensure that the State does not spend additional resources on COMPAS while its usefulness is uncertain, Corrections should suspend its use of the COMPAS core and reentry assessments until it has demonstrated to the Legislature that it has a plan to measure and report COMPAS's effect on reducing recidivism. Such a plan could consider whether inmates enrolled in a rehabilitative program based on a COMPAS assessment had lower recidivism rates than those provided rehabilitative programming as a result of non-COMPAS factors.	Fully Implemented	5
4. Once Corrections resumes its use of COMPAS core and reentry assessments, it should develop practices or procedures to periodically determine whether its staff are using COMPAS core or reentry assessments as intended. Such a process might include performing periodic site visits to corroborate that COMPAS is being used as required.	Fully Implemented	5
5. Once Corrections resumes its use of COMPAS core and reentry assessments, it should develop practices or procedures to periodically compare the demand for certain rehabilitative programs, as suggested by a COMPAS core assessment, to the existing capacity to treat such needs.	Fully Implemented	5

**TRANSPORTATION**




**California Department of Transportation**





California Department of Transportation: Its Poor Management of State Route 710 Extension Project Properties Costs the State Millions of Dollars Annually, Yet State Law Limits the Potential Income From Selling the Properties  
2011-120 (August 2012)\*




39. To comply with the 2007 court ruling and the APA until such time as the Legislature may choose to act, Caltrans should establish regulations to govern the sales process for the SR 710 properties affected by the Roberti Bill.	Fully Implemented	4
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REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	STATUS	NUMBER OF YEARS RECOMMENDATION HAS APPEARED IN THIS REPORT
	40. To pursue alternatives to its management of the SR 710 properties, Caltrans should prepare a cost-benefit analysis to determine if the State would save money by hiring a private vendor to manage the properties. If such savings would occur, Caltrans should seek an exemption under Government Code section 19130 (a), to hire a private vendor.	Fully Implemented	4
<b>California High-Speed Rail Authority</b>			
High-Speed Rail Authority: It Risks Delays or an Incomplete System Because of Inadequate Planning, Weak Oversight, and Lax Contract Management 2009-106 (April 2010)	1. To ensure that it can respond adequately to funding levels that may vary from its business plan, the Authority should develop and publish alternative funding scenarios that reflect the possibility of reduced or delayed funding from the planned sources. These scenarios should detail the implications of variations in the level or timing of funding on the program and its schedule.	Resolved	6
High-Speed Rail Authority Follow-Up: Although the Authority Addressed Some of Our Prior Concerns, Its Funding Situation Has Become Increasingly Risky and the Authority's Weak Oversight Persists 2011-504 (January 2012)*	1. To ensure that it can respond adequately to funding levels that may vary from its business plan, the Authority should develop and publish alternative funding scenarios that reflect the possibility of reduced or delayed funding from the planned sources. These scenarios should detail the implications of variations in the level or timing of funding on the program and its schedule.	Resolved	4
	7. To add clarification to the first recommendation we made in our prior report that stated, "To ensure that it can respond adequately to funding levels that may vary from its business plan, the Authority should develop and publish alternative funding scenarios that reflect the possibility of reduced or delayed funding from the planned sources. These scenarios should detail the implications of variations in the level or timing of funding on the program and its schedule," the Authority should also present viable alternative funding scenarios for phase one in its entirety that do not assume an increase in the federal funding levels already identified in the 2012 draft business plan. If the Authority does not believe that such alternatives exist, it should publicly disclose this in its 2012 final business plan.	Resolved	4
	9. To ensure that the public and the Legislature are aware of the full cost of the program, the Authority should clearly disclose that the 2012 draft business plan assumes that the State will only be receiving profits for the first two years of operation in 2022 and 2023, and potentially not again until 2060 in exchange for the almost \$11 billion the Authority assumes it will receive from the private sector over a four-year period.	Fully Implemented	4
<b>Department of Motor Vehicles</b>			
 F Special Interest License Plate Funds: The State Has Foregone Certain Revenues Related to Special Interest License Plates and Some Expenditures Were Unallowable or Unsupported 2012-110 (April 2013)*	2. Motor Vehicles should ensure that the fees it lists in its application for special plates, as well as any other publications, are supported by the appropriate statutes.	Fully Implemented	3
Follow-Up—California Department of Motor Vehicles: It Still Has Not Ensured It Charges and Advertises Fees for Some Special Interest License Plates Consistent With State Law 2015-506 (July 2015)	1. To ensure it charges fees for special plates that are consistent with state law, Motor Vehicles should begin charging the correct fees for transferring an Olympic Training Center plate and to convert a personalized plate to a personalized Collegiate plate by March 31, 2016.	Fully Implemented	1
<b>NATURAL RESOURCES</b>			
<b>California Natural Resources Agency</b>			
 F Special Interest License Plate Funds: The State Has Foregone Certain Revenues Related to Special Interest License Plates and Some Expenditures Were Unallowable or Unsupported 2012-110 (April 2013)*	16. To ensure that the governor and Legislature have sufficient and appropriate information with which to make decisions on the most effective use of environmental fund money, Resources should submit to the governor and Legislature the annual and triennial reports containing the information that state law requires.	Fully Implemented	3
<b>California State Lands Commission</b>			
State Lands Commission: Because It Has Not Managed Public Lands Effectively, the State Has Lost Millions in Revenue for the General Fund 2010-125 (August 2011)*	24. To ensure that as few leases as possible go into holdover, the commission should consistently assess the 25 percent penalty on expired leases.	Resolved	5
<b>Department of Parks and Recreation</b>			
 F Special Interest License Plate Funds: The State Has Foregone Certain Revenues Related to Special Interest License Plates and Some Expenditures Were Unallowable or Unsupported 2012-110 (April 2013)*	14. To make certain that money from the special plate funds pay only for allowable and supportable activities, Parks and Recreation should ensure that environmental fund money budgeted to its offices is supported by the proportion of the offices' activities that state law allows.	Resolved	3



REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	STATUS	NUMBER OF YEARS RECOMMENDATION HAS APPEARED IN THIS REPORT
Department of Parks and Recreation: Flaws in Its Budget Allocation Processes Hinder Its Ability to Effectively Manage the Park System 2012-121.2 (September 2013)*	2. To reduce duplicate expenditure tracking and increase the effectiveness of its budget process, the department should develop procedures requiring the districts to prepare and submit spending plans and to periodically submit their total expenditures after reconciling them with the FTS. The procedures should specify how often districts should provide this information to the department to ensure that the budget office and park management can appropriately oversee the districts' budgets and spending.	Fully Implemented	3
<b>ENVIRONMENTAL PROTECTION</b>			
<b>California Department of Resources Recycling and Recovery</b>			
Department of Resources Recycling and Recovery: Deficiencies in Forecasting and Ineffective Management Have Hindered the Beverage Container Recycling Program 2010-101 (June 2010)	19. To improve oversight of grants and ensure that the intended value is received from the grant funds it awards, the department should implement policies to ensure that cities and counties spend grant funds for recycling purposes by requiring periodic reporting of expenses or reporting of how funds were used after the grant ends.	Fully Implemented	6
California Department of Resources Recycling and Recovery: The Beverage Container Recycling Program Continues to Face Deficits and Requires Changes to Become Financially Sustainable 2014-110 (November 2014)*	4. To ensure that all appropriate redemption payments are identified and made to the beverage program, CalRecycle should do the following: • Contract with the California Board of Equalization (Equalization) to determine the feasibility and cost of transferring its revenue collections duties and audit reviews to Equalization. • Should CalRecycle find that it is feasible and cost effective, it should pursue legislative changes that enable Equalization to collect revenues for the beverage program at the point-of-sale and remit the money to the beverage program.	Fully Implemented	1
<b>Department of Toxic Substances Control</b>			
California Department of Toxic Substances Control: Its Lack of Diligence in Cost Recovery Has Contributed to Millions in Unbilled and Uncollected Costs 2013-122 (August 2014)	5. To ensure that it maximizes the recovery of its costs from responsible parties, by October 2014, the department should do the following: • Continue its plan to update policies and procedures for using liens whenever appropriate.	Fully Implemented	2
	8. To ensure it loads only accurate billing data into FISCAL, the department should continue evaluating projects with outstanding costs in its billing system to meet the July 2015 implementation date.	Fully Implemented	2
	11. The department should continue to resolve its questions about its authority to write off outstanding costs under \$5,000. To the extent that it determines it cannot write off outstanding costs, it should pursue collecting the costs.	Fully Implemented	2
<b>BUSINESS, CONSUMER SERVICES, HOUSING</b>			
<b>Board of Registered Nursing</b>			
 California Department of Consumer Affairs' BreEZe System: Inadequate Planning and Oversight Led to Implementation at Far Fewer Regulatory Entities at a Significantly Higher Cost 2014-116 (February 2015)*	31. To ensure that BRN has adequate data to effectively use its resources and manage its workload, it should formally track and monitor its pending workload of applications by type and original receipt date.	Fully Implemented	1
<b>California State Athletic Commission</b>			
 State Athletic Commission: Its Ongoing Administrative Struggles Call Its Future Into Question 2012-117 (March 2013)*	2. To ensure its future financial stability, the commission should work with Consumer Affairs to establish a long-term financial plan that contains the following: • A reasonable annual budget with an accurate forecast of planned expenditures. The commission should determine this budget based in part on its ability or inability to meet the expenditure limitations stipulated in the solvency plan. • The number of inspectors necessary to regulate each type of event. In establishing this number, the commission should take into account the varying size and complexity of the events. It should also determine the cost for each inspector to regulate an event. • An estimate of its costs to regulate different types of events. To arrive at a reasonable estimate, the commission will need to track at least six months of actual expenditures. • The number of staff necessary to perform all of the commission's necessary functions. The commission will need to conduct a workload analysis as soon as possible to determine how many staff it requires and adjust its planned expenditures accordingly. • Funds for athletic inspectors' training that are sufficient to meet the requirement that inspectors receive training within six months of an event that they are scheduled to work. • Strategies to increase revenue. The commission may need to conduct analyses to determine whether the opportunities it is currently considering are legally permissible and fiscally prudent. If so, the commission should take steps to implement those strategies, including seeking any necessary legislative changes.	Fully Implemented	3

REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	STATUS	NUMBER OF YEARS RECOMMENDATION HAS APPEARED IN THIS REPORT
	25. To operate the pension plan effectively and maximize boxers' benefits, the commission should create policies and procedures for its administration to ensure that it transfers funds on a regular basis from the pension fund's state account into its investment account.	Fully Implemented	3
<b>Department of Consumer Affairs</b>			
 State Athletic Commission: Its Ongoing Administrative Struggles Call Its Future Into Question 2012-117 (March 2013)*	16. To ensure that all designated parties complete statements of economic interests as the law requires, Consumer Affairs should improve its policies and procedures to ensure that it identifies any incomplete statements and promptly notifies the Fair Political Practices Commission when necessary.	Fully Implemented	3
 California Department of Consumer Affairs' BreZe System: Inadequate Planning and Oversight Led to Implementation at Far Fewer Regulatory Entities at a Significantly Higher Cost 2014-116 (February 2015)*	19. If Consumer Affairs determines that a new IT project is warranted in the future, it should develop a process to ensure the success of that project that includes, at a minimum, a project team that is qualified and experienced.	Fully Implemented	1
	22. If Consumer Affairs determines that a new IT project is warranted in the future, it should develop a process to ensure the success of that project that includes, at a minimum, timely response to concerns that the IV&V consultant and the IPO specialist raise.	Fully Implemented	1
	23. If Consumer Affairs determines that a new IT project is warranted in the future, it should develop a process to ensure the success of that project that includes, at a minimum, sufficient staffing.	Fully Implemented	1
<b>Department of Housing and Community Development</b>			
California Department of Housing and Community Development: Inconsistent Oversight Has Resulted in the Questionable Use of Some Housing Bond Funds 2014-037 (September 2014)	3. To meet the intent of the law, HCD should approve and fund for the Catalyst Program only those projects that more directly create or preserve housing opportunities.	Fully Implemented	2
<b>LABOR AND WORKFORCE DEVELOPMENT</b>			
<b>California Workforce Development Board<sup>‡</sup></b>			
 Federal Workforce Investment Act: More Effective State Planning and Oversight Is Necessary to Better Help California's Job Seekers Find Employment 2011-111 (March 2012)*	2. To assist the governor in the development, oversight, and continuous improvement of California's workforce investment system, the state board should collaborate with state and local workforce investment partners to promptly develop and implement a strategic workforce plan as state law requires. The strategic plan should include, at a minimum, the following elements: clear roles and responsibilities pertaining to the state board, EDD, and other state and local workforce partners; clear definitions for terminology used in the strategic plan, such as quality services; performance measures that are specific to California for evaluating the efficiency and effectiveness of WIA-funded programs and activities; and procedures for approving the addition of data elements to EDD's Web-based system and for the exchange of data between EDD and the state board to facilitate the development and implementation of performance measures that are specific to California.	Fully Implemented	4
<b>Employment Development Department</b>			
Employment Development Department: It Needs to Address Data Issues to Better Evaluate and Improve the Performance of Its Employment Programs for Veterans 2013-102 (October 2013)*	7. To better optimize its leadership role in the interagency council's employment workgroup, the department should ensure that the employment workgroup develops a timeline for completing its action items and develops a process for measuring its success in improving employment outcomes for veterans. Specifically, the department should take the lead for establishing a time frame for evaluating tools to help assess and translate military skills into finding civilian jobs and establishing a transition assistance program for veterans.	Resolved	3
Employment Development Department: It Should Improve Its Efforts to Minimize Avoidable Appeals of Its Eligibility Determinations for Unemployment Insurance Benefits 2014-101 (August 2014)*	1. To reduce the number of its determinations that are overturned on appeal, the Employment Development Department (EDD) should change its practices to ensure that its staff have demonstrated that all of the necessary elements of a false statement are adequately supported before disqualifying a claimant for unemployment benefits or assessing the associated 30 percent penalty on that basis. To do this, EDD should update its training to further emphasize that false statement disqualifications, especially those resulting from wage reporting, cannot be assessed unless all of the elements are present.	Fully Implemented	2

REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	STATUS	NUMBER OF YEARS RECOMMENDATION HAS APPEARED IN THIS REPORT
	2. To reduce the number of its determinations that are overturned on appeal, EDD should revise its website and the materials that accompany the continued claim form to provide specific instructions to claimants on how to avoid common errors that claimants make when reporting wages, such as the error of applying some wages to the incorrect week.	Fully Implemented	2
	3. To reduce the number of its determinations that are overturned on appeal, EDD should ensure that determinations are supported by sufficient fact-finding and relevant evidence by increasing the required number of attempts to reach claimants by telephone or e-mail before making a determination.	Fully Implemented	2
	4. To reduce the number of its determinations that are overturned on appeal, EDD should allow additional time for its staff to process misconduct and voluntary quit cases, especially those that involve complex issues.	Fully Implemented	2
	5. To reduce the number of its determinations that are overturned on appeal, EDD should improve its due diligence during the pre-appeal review process by considering appellants' reasons for appealing and by contacting claimants, employers, and third parties when necessary to obtain clarifying information that could result in a redetermination, which could eliminate or reduce the need for some appeals board hearings.	Fully Implemented	2
	6. To reduce the number of its determinations that are overturned on appeal, EDD should identify those types of appeals that could be most influenced by EDD staff attendance at the appeal hearing, and analyze the feasibility and cost-effectiveness of participating in those hearings by telephone.	Fully Implemented	2

**GOVERNMENT OPERATIONS**

**California Department of Human Resources**



High Risk: State Departments Need to Improve Their Workforce and Succession Planning Efforts to Mitigate the Risks of Increasing Retirements 2015-608 (May 2015)

5. To help ensure that state departments are prepared to address the loss of highly experienced employees, CalHR should obtain annually workforce and succession plans from all departments by June 30, starting in 2016, as well as any updates to and implementation status of the plans.	Fully Implemented	1
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**California Department of Technology**



California Department of Consumer Affairs' BreEze System: Inadequate Planning and Oversight Led to Implementation at Far Fewer Regulatory Entities at a Significantly Higher Cost 2014-116 (February 2015)\*

8. Continue implementing the STAR project for state departments and ensure that its framework requires departments undertake detailed business process analyses before submitting FSRs to Technology for approval.	Fully Implemented	1
9. Continue implementing the STAR project for state departments and ensure that its framework requires departments use detailed business process analyses to justify the type of IT solution they are proposing, such as a COTS or a fully customized system.	Fully Implemented	1
10. Continue implementing the STAR project for state departments and ensure that its framework requires departments use detailed business process analyses to inform the resulting RFPs and that they ensure that the RFPs contain adequate requirements.	Fully Implemented	1
24. To ensure that future IT project procurements do not jeopardize the State's financial interests, Technology's procurement division should document its reasons for approving any deviations from standard contract language.	Fully Implemented	1








High Risk Update—California Department of Technology: Lack of Guidance, Potentially Conflicting Roles, and Staffing Issues Continue to Make Oversight of State Information Technology Projects High Risk 2014-602 (March 2015)\*





5. To help ensure the independence and objectivity of IPO analysts working in the oversight and consulting division, Technology should develop a policy outlining expectations for independence and objectivity while performing oversight of IT projects.	Fully Implemented	1
7. To better track its oversight actions and sponsoring agencies' responses to these actions, Technology should retain the briefing documents created for the State CIO's portfolio meetings and the project status reports that sponsoring agencies submit while project oversight is ongoing.	Fully Implemented	1
14. By June 2015 Technology should put in place a system to track IPO analysts' training hours to ensure that all IPO analysts have completed the necessary California Project Management Methodology training curriculum.	Fully Implemented	1



California State Government Websites: Departments Must Improve Website Accessibility So That Persons With Disabilities Have Comparable Access to State Services Online 2014-131 (June 2015)\*

26. To standardize California's approach to web accessibility testing, Technology should issue a policy that specifies the method by which state departments should conduct web accessibility testing. This policy should include information about a minimum combination of operating systems, browsers, and assistive technologies that should be used during testing.	Fully Implemented	1
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REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	STATUS	NUMBER OF YEARS RECOMMENDATION HAS APPEARED IN THIS REPORT
<b>Department of General Services</b>			
 State Board of Equalization Building: Despite Ongoing Health and Safety Concerns, the State Has Not Thoroughly Analyzed the Costs and Benefits of Relocating Employees 2014-108 (September 2014)*	5. To ensure that resources are spent wisely, General Services should seek the funding and approval needed to analyze whether keeping or selling the BOE building would be in the State's best financial interest. As part of that analysis, General Services should conduct, or contract for, appraisals to assess the value of the building with and without the repairs to determine whether making the repairs is in the best interest of the State. If continued ownership of the building appears to be prudent, General Services should evaluate potential productive uses for the building should BOE move to a new facility. General Services should report the results of its analysis to the Legislature no later than September 2015.	Fully Implemented	2
<b>Franchise Tax Board</b>			
 California State Government Websites: Departments Must Improve Website Accessibility So That Persons With Disabilities Have Comparable Access to State Services Online 2014-131 (June 2015)*	5. To ensure that it addresses barriers to the accessibility of its website for persons with disabilities, Franchise Tax Board should, no later than December 1, 2015, correct the accessibility violations we found during our review.	Fully Implemented	1
<b>GENERAL GOVERNMENT</b>			
<b>California Department of Veterans Affairs</b>			
 California Department of Veterans Affairs: It Has Initiated Plans to Serve Veterans Better and More Cost-Efficiently, but Further Improvements Are Needed 2012-119 (May 2013)*	2. To ensure that it maximizes its ability to generate revenue at all the veterans homes and better cover the costs of providing care to its members, CalVet should analyze its cost-recovery model, including an evaluation of the state laws that limit the amount of revenue that CalVet can collect for the care it provides to its members at the veterans homes.	Fully Implemented	3
	14. To ensure that it is providing the highest quality of services to veterans, CalVet should improve its tracking system policy by developing oversight controls so that the system is used consistently by all of the veterans homes.	Fully Implemented	3
	16. To more effectively and efficiently meet state purchasing and procurement requirements, CalVet should analyze its current purchasing model to ensure that it is the most efficient and cost-effective to use when purchasing non-IT goods and services for the veterans homes.	Fully Implemented	3
<b>California Public Utilities Commission</b>			
 California Public Utilities Commission: It Fails to Adequately Ensure Consumers' Transportation Safety and Does Not Appropriately Collect and Spend Fees From Passenger Carriers 2013-130 (June 2014)*	7. To better ensure passenger carrier and public safety, the commission should create a system to determine when a carrier merits a penalty and what the magnitude of the penalty should be. In addition, to be an effective deterrent, the amount of such penalties should be more consistent with what state law permits.	Fully Implemented	2
	8. The commission should require staff to examine and formally report on the feasibility of impounding the vehicles of passenger carriers that refuse to comply with commission orders or that refuse to pay citation penalties and also on the feasibility of making use of the Tax Board's program for intercepting income tax refunds, lottery winnings, and unclaimed property payments to collect unpaid citation penalties.	Fully Implemented	2
 California Public Utilities Commission: It Needs to Improve the Quality of Its Consumer Complaint Data and the Controls Over Its Information Systems 2014-120 (April 2015)*	6. To ensure that policy makers, enforcement officials, and the general public have access to more complete and meaningful consumer complaints data in CIMS, the branch should, to the fullest extent possible, include the attributes of each complaint in the data it records in CIMS.	Fully Implemented	1
<b>Office of Ratepayer Advocates</b>			
 California Public Utilities Commission: Improved Monitoring of Balancing Accounts Would Better Ensure That Utility Rates Are Fair and Reasonable 2013-109 (March 2014)*	8. To further its mission to obtain the lowest possible rates for reliable and safe utility service for ratepayers through its reviews of balancing accounts, Ratepayer Advocates should document the method used for its selection of balancing accounts to review.	Fully Implemented	2
<b>LEGISLATIVE, JUDICIAL, AND EXECUTIVE</b>			
<b>Administrative Office of the Courts</b>			
 Judicial Branch Procurement: Semiannual Reports to the Legislature Are of Limited Usefulness, Information Systems Have Weak Controls, and Certain Improvements in Procurement Practices Are Needed 2013-302 and 2013-303 (December 2013)*	12. The AOC should provide additional training to its staff and the judicial entities on how to conduct procurements in compliance with the judicial contracting manual.	Fully Implemented	2

	REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	STATUS	NUMBER OF YEARS RECOMMENDATION HAS APPEARED IN THIS REPORT
	Judicial Branch of California: Because of Questionable Fiscal and Operational Decisions, the Judicial Council and the Administrative Office of the Courts Have Not Maximized the Funds Available for the Courts 2014-107 (January 2015)*	7. To reduce its expenses, the AOC should implement a policy that requires it to conduct a cost-benefit analysis for using temporary workers, contractors, or consultants instead of state employees before employing temporary workers, contractors, or consultants to do the work of AOC employees.	Fully Implemented	1
		8. To reduce its expenses, the AOC should follow its policies and procedures limiting the period of time it can employ temporary workers, and develop a similar policy to limit the use of contractors to a reasonable period of time but no more than one year.	Fully Implemented	1
<b>California Department of Justice</b>				
	Armed Persons With Mental Illness: Insufficient Outreach From the Department of Justice and Poor Reporting From Superior Courts Limit the Identification of Armed Persons With Mental Illness 2013-103 (October 2013)*	28. To ensure that it meets its goal of eliminating the historical backlog of reviewing firearms owners by the end of 2016, Justice should manage its staff resources to continually address the backlog, and should notify the Legislature if it believes that it will not be able to fully process this backlog by its goal date. To help guide this effort, Justice should establish benchmarks that will indicate whether it is on track to meet its goal.	Fully Implemented	3
		33. Justice should update and maintain its system documentation for the mental health and APPS databases to ensure that it can efficiently and effectively address modifications and questions about these databases.	Fully Implemented	3
<b>California Governor's Office of Emergency Services §</b>				
	California's Mutual Aid System: The California Emergency Management Agency Should Administer the Reimbursement Process More Effectively 2011-103 (January 2012)*	4. To make certain that local agencies calculate correctly their average actual hourly rates, Cal EMA should audit a sample of invoices each year and include in the review an analysis of the accuracy of the local agencies' average actual hourly rates reported in the agencies' salary surveys.	Fully Implemented	4
		5. To make certain that local agencies calculate correctly their average actual hourly rates, if Cal EMA determines that the local agencies' rates are incorrect, it should advise the agencies to recalculate the rates reported in their salary survey. Local agencies that fail to submit accurate average actual hourly rates should be subject to the base rates.	Fully Implemented	4
<b>Judicial Council of California</b>				
	Judicial Branch of California: Because of Questionable Fiscal and Operational Decisions, the Judicial Council and the Administrative Office of the Courts Have Not Maximized the Funds Available for the Courts 2014-107 (January 2015)*	18. To make the AOC's budget more understandable, the Judicial Council should require the AOC to report its budget in a more understandable and transparent manner, and in a manner that readily allows stakeholders and the public to know the full amount of the AOC's spending. Further, the Judicial Council should require the AOC to prepare and make public a high-level summary of how the judicial branch's budget relates to the appropriations from the State's budget.	Fully Implemented	1
<b>State Bar of California</b>				
	State Bar of California: It Has Not Consistently Protected the Public Through Its Attorney Discipline Process and Lacks Accountability 2015-030 (June 2015)*	10. To provide independent oversight of the Office of the Chief Trial Counsel and assurance that it properly closes its case files, the audit and review unit should report to an individual or body that is separate from the chief trial counsel, such as the executive director or the board.	Fully Implemented	1
		13. To justify any future special assessment that the State Bar wants to add to the annual membership fee, the State Bar should first present the Legislature with the planned uses for those funds and cost estimates for the project for which the State Bar intends to use the special assessment.	Fully Implemented	1
<b>State Board of Equalization</b>				
	State Board of Equalization Building: Despite Ongoing Health and Safety Concerns, the State Has Not Thoroughly Analyzed the Costs and Benefits of Relocating Employees 2014-108 (September 2014)*	1. To more clearly demonstrate its case for a new facility, BOE should ensure that it has a supportable rationale for the assumptions underlying its analysis of the costs and benefits of moving to a new consolidated facility.	Fully Implemented	2
		2. To more clearly demonstrate its case for a new facility, BOE should continue its plans to conduct a study to identify inefficiencies in its current spatial configuration and how its operations could improve with a new consolidated facility.	Fully Implemented	2
		3. To more clearly demonstrate its case for a new facility, BOE should incorporate staffing growth into its analysis of costs and benefits, using projections based on long-term historical data.	Fully Implemented	2
<b>State Controller's Office</b>				
	High Risk Update: State Agencies Credited Their Employees With Millions of Dollars Worth of Unearned Leave 2012-603 (August 2014)*	6. To improve the accuracy of information in the leave accounting system and to ensure that agencies do not improperly credit employees with leave in the future, the state controller should, using criteria provided by CalHR, develop monthly exception reports that identify transactions in the leave accounting system that are inconsistent with the guidelines established in state law and collective bargaining agreements, such as instances in which state employees receive too many personal holidays or too much holiday credit. By June 2015 begin providing each state agency's human resources management with the transactions identified in the exception reports for review and correction as necessary.	Fully Implemented	2

REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	STATUS	NUMBER OF YEARS RECOMMENDATION HAS APPEARED IN THIS REPORT
<b>Superior Court of California, County of Alameda</b>			
Judicial Branch Procurement: Five Superior Courts Did Not Consistently Follow Judicial Branch Contracting Practices 2014-301 (November 2014)	5. To improve its payment practices and comply with the judicial contracting manual, the Alameda court should ensure that it adheres to the \$1,500 single transaction limit for all Cal-Card purchases.	Fully Implemented	1
	6. To improve its procurement practices and comply with the judicial contracting manual, the Alameda court should ensure that it either anticipates contracts expiring and competitively rebids them timely or establishes proper noncompetitive amendments to the contracts as the judicial contracting manual specifies.	Fully Implemented	1

\* Other recommendations pertaining to this audit, which have not been fully implemented, can be found in Table 2.



† As of July 5, 2011, Prison Health Care Services became California Correctional Health Care Services.

‡ As of July 14, 2015, the California Workforce Investment Board became the California Workforce Development Board.

§ As of July 1, 2013, the California Emergency Management Agency became the California Governor's Office of Emergency Services.

|| As of July 2012, the California Department of Mental Health became the Department of State Hospitals.







**Table 4**  
**Recommendations Made to Nonstate Entities That Are More Than One Year Old and Are Still Not Fully Implemented**  
**(Reports Issued From January 2011 Through October 2015)**

REPORT TITLE, NUMBER AND ISSUE DATE	RECOMMENDATION	NUMBER OF YEARS RECOMMENDATION HAS APPEARED IN THIS ANNUAL REPORT	ESTIMATED DATE OF COMPLETION	STATE AUDITOR'S ASSESSMENT	
				AUDITEE DID NOT SUBSTANTIATE ITS CLAIM OF FULL IMPLEMENTATION	AUDITEE DID NOT ADDRESS ALL ASPECTS OF THE RECOMMENDATION
<b>NONSTATE ENTITIES</b>					
<b>California Statewide Communities Development Authority</b>					
Conduit Bond Issuers: Issuers Complied With Key Bond Requirements, but Two Joint Powers Authorities' Compensation Models Raise Conflict-of-Interest Concerns 2011-118 and 2011-613 (August 2012)	2. To be better informed about the compensation of their consultants, including any potential conflicts of interest, California Communities and Municipal Finance should require the consulting firms that staff their organizations to disclose the amount and structure of compensation provided to individual consultants, including disclosing whether any of this compensation is tied to the volume of bond sales.	4	Will Not Implement		
<b>City of Indio</b>					
City of Indio: Although the City Complied With the Mello-Roos Act in Forming and Managing Community Facilities District No. 2004-3, It Should Do More to Address Inequities 2014-119 (December 2014)	1. The city of Indio should shift a share of the water facilities cost borne by Area 1 to Area 2 residents in proportion to the benefits Area 2 residents receive from the facilities. To do so, it should impose through its Indio Water Authority a water fee on Area 2 residents and use the related revenues to reduce the bond debt of Area 1.	1	Not Currently Feasible		
<b>City of Vernon</b>					
City of Vernon: Although Reform Is Ongoing, Past Poor Decision Making Threatens Its Financial Stability 2011-131 (June 2012)*	28. The city should clearly present the general fund structural deficit to the city council and the public in a budget that includes narrative and summary information to help users understand the city's budget process and its priorities and challenges, and that incorporates the elements for improved budgeting practices recommended by the Government Finance Officers Association (GFOA).	4	May/June 2017		
<b>County of Butte</b>					
 Indian Gaming Special Distribution Fund: Counties' Benefit Committees Did Not Always Comply With State Laws for Distribution Fund Grants 2013-036 (March 2014)*	7. To ensure that grant recipients comply with state law concerning interest earned on mitigation grant funds, by June 2014, the Butte County benefit committee should establish policies and procedures to verify that grant recipients have placed grant awards in interest-bearing accounts, and that the interest is spent only on activities that mitigate the effect of tribal gaming on local jurisdictions.	2	†		●
<b>County of Humboldt</b>					
 Indian Gaming Special Distribution Fund: Local Governments Continue to Have Difficulty Justifying Distribution Fund Grants 2010-036 (February 2011)*	2. To help ensure that they meet the grant requirements established in the Government Code, counties should require that the county auditor review each grant application to ensure a rigorous analysis of a casino's impact and of the proportion of funding for the project provided by the grant. Benefit committees should consider a grant application only when the county auditor certifies that the applicant has quantified the impact of the casino and verifies that the grant funds requested will be proportional to the casino's impact.	5	Will Not Implement		


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REPORT TITLE, NUMBER AND ISSUE DATE	RECOMMENDATION	NUMBER OF YEARS RECOMMENDATION HAS APPEARED IN THIS ANNUAL REPORT	ESTIMATED DATE OF COMPLETION	STATE AUDITOR'S ASSESSMENT	
				AUDITEE DID NOT SUBSTANTIATE ITS CLAIM OF FULL IMPLEMENTATION	AUDITEE DID NOT ADDRESS ALL ASPECTS OF THE RECOMMENDATION
<b>County of Riverside</b>					
 Indian Gaming Special Distribution Fund: Counties' Benefit Committees Did Not Always Comply With State Laws for Distribution Fund Grants 2013-036 (March 2014)*	3. To comply with state law, benefit committees should ensure that they obtain sufficient documentation from grant applicants to demonstrate that proposed projects mitigate casino impacts. If applicable, that documentation should demonstrate that the requested funding represents a correct proportionate share of the costs attributable to casino impacts.	2	‡		
<b>County of San Diego</b>					
 Indian Gaming Special Distribution Fund: Local Governments Continue to Have Difficulty Justifying Distribution Fund Grants 2010-036 (February 2011)*	4. To help ensure that they meet the grant requirements established in the Government Code, counties should require that the county auditor review each grant application to ensure a rigorous analysis of a casino's impact and of the proportion of funding for the project provided by the grant. Benefit committees should consider a grant application only when the county auditor certifies that the applicant has quantified the impact of the casino and verifies that the grant funds requested will be proportional to the casino's impact.	5	Will Not Implement		
 Indian Gaming Special Distribution Fund: Counties' Benefit Committees Did Not Always Comply With State Laws for Distribution Fund Grants 2013-036 (March 2014)*	10. If San Diego County's benefit committee believes that its processes for distributing grant funds are vital to its effective management of distribution fund grants, it should seek legislative authority to change its process. Otherwise, San Diego County's benefit committee should refrain from placing limits on the time available for grant recipients to spend the grant funds.	2	Will Not Implement		
<b>County of Santa Barbara</b>					
 Indian Gaming Special Distribution Fund: Local Governments Continue to Have Difficulty Justifying Distribution Fund Grants 2010-036 (February 2011)*	5. To help ensure that they meet the grant requirements established in the Government Code, counties should require that the county auditor review each grant application to ensure a rigorous analysis of a casino's impact and of the proportion of funding for the project provided by the grant. Benefit committees should consider a grant application only when the county auditor certifies that the applicant has quantified the impact of the casino and verifies that the grant funds requested will be proportional to the casino's impact.	5	Will Not Implement		
<b>Golden State Water Company</b>					
 Apple Valley Area Water Rates: Differences in Costs Affect Water Utilities' Rates, and One Utility May Have Spent Millions of Ratepayer Funds Inappropriately 2014-132 (April 2015)	4. To demonstrate to water customers how they are working to keep rates reasonable, the four water utilities should document their cost-saving efforts and quantify, to the extent possible, any specific cost savings achieved from their respective efforts.	1	3rd Quarter 2016		
<b>Hesperia Water District</b>					
 Apple Valley Area Water Rates: Differences in Costs Affect Water Utilities' Rates, and One Utility May Have Spent Millions of Ratepayer Funds Inappropriately 2014-132 (April 2015)	1. To assist low-income water customers, Hesperia should work with its governing body to consider the feasibility of using revenues from sources other than water rates to implement a rate assistance program.	1	Will Not Implement		




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<b>Los Angeles County</b>					
 <p>Los Angeles County: Lacking a Comprehensive Assessment of Its Trauma System, It Cannot Demonstrate That It Has Used Measure B Funds to Address the Most Pressing Trauma Needs 2013-116 (February 2014)*</p>	1	To determine whether its trauma system is appropriately designed and serving the needs of residents in underserved areas and the needs of the most at-risk populations, the board should use Measure B funds to engage the College of Surgeons by July 2014 to perform a comprehensive assessment of the trauma system and then make the results available to the public. To the extent the assessment identifies weaknesses in the trauma system, the board should develop strategies to address those weaknesses where feasible. Specifically, the board should ask the College of Surgeons to do the following: assist the board in better defining and identifying underserved areas in Los Angeles.	2	Will Not Implement	
	2	To determine whether its trauma system is appropriately designed and serving the needs of residents in underserved areas and the needs of the most at-risk populations, the board should use Measure B funds to engage the College of Surgeons by July 2014 to perform a comprehensive assessment of the trauma system and then make the results available to the public. To the extent the assessment identifies weaknesses in the trauma system, the board should develop strategies to address those weaknesses where feasible. Specifically, the board should ask the College of Surgeons to do the following: review Measure B allocations to ensure that they are addressing the most pressing needs of at-risk populations in Los Angeles.	2	Will Not Implement	
	3	To determine whether its trauma system is appropriately designed and serving the needs of residents in underserved areas and the needs of the most at-risk populations, the board should use Measure B funds to engage the College of Surgeons by July 2014 to perform a comprehensive assessment of the trauma system and then make the results available to the public. To the extent the assessment identifies weaknesses in the trauma system, the board should develop strategies to address those weaknesses where feasible. Specifically, the board should ask the College of Surgeons to do the following: assess the adequacy of helicopter services it provides in underserved areas.	2	Will Not Implement	
	4	To determine whether its trauma system is appropriately designed and serving the needs of residents in underserved areas and the needs of the most at-risk populations, the board should use Measure B funds to engage the College of Surgeons by July 2014 to perform a comprehensive assessment of the trauma system and then make the results available to the public. To the extent the assessment identifies weaknesses in the trauma system, the board should develop strategies to address those weaknesses where feasible. Specifically, the board should ask the College of Surgeons to do the following: analyze how EMS might better use the data it collects to evaluate, improve, and report continuously on its trauma system.	2	Will Not Implement	

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	5. To ensure that it allocates Measure B funds to address the most significant needs of residents within its trauma system, the board should reinstate a Measure B oversight committee, with participation from departments with trauma, EMS, and bioterrorism preparedness expertise, as well as representatives of the public. The oversight committee should review trauma system and other county needs annually and advise the board on Measure B expenditures. As part of its responsibilities, the oversight committee should reevaluate the Measure B allocation approach, taking into consideration the results of Los Angeles's comprehensive assessment and the effects of the Act, and issue a report on its findings no later than December 2015.	2	Will Not Implement		
<b>Los Angeles County Department of Children and Family Services</b>					
Los Angeles County Department of Children and Family Services: Management Instability Hampered Efforts to Better Protect Children 2011-101.2 (March 2012)	2. To ensure that child abuse and neglect allegations receive timely resolution, the department should assess whether it needs to permanently allocate more resources to investigate allegations of child abuse and neglect.	4	Fall 2015		
	4. To ensure that it is placing children only in safe homes, the department should measure its performance and adjust its practices to adhere to state law, which requires that all homes be assessed prior to the placement of the child.	4	Will Not Implement		
	5. To improve its process for placing children with a relative, the department should analyze the best practices used by other county child welfare services agencies for such placements. The department should then implement changes in its practices so that relatives and their homes are approved prior to placement, as required by state law.	4	Will Not Implement		
<b>Los Angeles Department of Water and Power</b>					
Los Angeles Department of Water and Power— Consequences Linked to Its Premature Launch of Its Customer Information System May Push Total Costs Beyond \$200 Million 2014-105 (March 2015)	1. To ensure that the Los Angeles Board of Water and Power Commissioners (board) can more effectively exercise oversight for the department's significant information technology projects, the board should establish a standing committee comprised of board members to oversee and critically evaluate the status of the department's various information technology projects. Given the limited tenure of board members and the potential for multiyear and high-cost information technology projects, the board president should consider appointing as many committee members as practicable in order to promote continuity of oversight.	1	2020		
	2. To ensure that the board can more effectively exercise oversight for the department's significant information technology projects, the board should develop reporting standards for the department's management to follow when discussing the status of information technology projects with the standing committee or the board. Such reporting standards should, at a minimum, specify the frequency with which the department's management makes such reports and require the following disclosures about each information technology project: <ul style="list-style-type: none"> <li>• The amount of project growth, in terms of both budget and scope of work, from initial project estimates through current projections.</li> <li>• The results from system testing and a listing of the critical defects that exist and must be fixed prior to system use.</li> <li>• The concerns the quality assurance contractor has raised and how the department is addressing them.</li> </ul>	1	2020		

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	3. To ensure that the board can more effectively exercise oversight for the department's significant information technology projects, the board should develop a process for the board to designate certain information technology projects as having a potentially significant effect on business operations or customer relations, and require that department managers first obtain the board's approval before launching such critical new systems.	1	2020		
<b>Quartz Hill Water District</b>					
Antelope Valley Water Rates: Various Factors Contribute to Differences Among Water Utilities 2013-126 (July 2014)*	5. To ensure that water customers are aware of pass-through rate increases, Quartz Hill Water District should adopt a schedule of fees showing how these increases will affect its tiered usage charges before the new rates take effect.	2	†	●	
	13. To assist low-income water customers, Quartz Hill water District should work with its governing body to consider the feasibility of using revenues from sources other than water rates to implement rate assistance programs for low-income water customers.	2	Will Not Implement		
<b>Ross Valley Sanitary District</b>					
Ross Valley Sanitary District: The Board and Management Have Only Recently Begun to Address Significant Weaknesses in the District's Financial and Administrative Functions 2014-122 (April 2015)	1. The board should ensure that management continues to develop and strengthen its controls over the district's financial and administrative functions. For example, district management should fully implement all of the external auditor's remaining recommendations by June 30, 2015. Management should also ensure that its staff follow these policies and should create and implement a plan for monitoring its system of controls. The board should also consider periodically contracting with qualified professionals to conduct a review of the effectiveness of the district's system of internal controls.	1	Fiscal Year 2016-17		
	2. The district should strengthen its financial and administrative policies to make it clear that the activities of approving invoices, recording invoices, preparing checks, and reconciling bank statements to the district's records should be performed by separate individuals.	1	Fiscal Year 2016-17		
	3. The district should strengthen its financial and administrative policies to make it clear who is responsible for reviewing and approving monthly bank reconciliations.	1	Fiscal Year 2016-17		
	4. The district should strengthen its financial and administrative policies to limit California lodging costs to the rate set by the State for its employees, and limit any out-of-state lodging costs to rates set by the federal government for its employees. In addition, the district should remove from its travel policy the reimbursement for exercise equipment use.	1	Fiscal Year 2016-17		
	7. The district should strengthen its financial and administrative policies to establish an appropriate system for tracking and valuing inventory.	1	Fiscal Year 2016-17		
	8. The district should strengthen its financial and administrative policies to require employees to obtain their supervisor's approval before working paid overtime.	1	Fiscal Year 2016-17		

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	12. To clarify the roles and responsibilities of board members, the district should create a more comprehensive board member manual that describes all of the board's roles and fiduciary responsibilities. This manual should address the best practices contained in the California Special Districts Association's Special District Board Member/Trustee Handbook. The district should also provide for additional training for board members in the following areas over which they exercise important responsibilities: financial management, contracting, emergency procurement, and human resources.	1	Fiscal Year 2016-17		
	14. To ensure that employee compensation remains appropriate after making the changes described in the previous recommendation, the board should develop robust policies that outline how it will establish future compensation for all district positions. This policy should require the district to conduct a salary survey of comparable sanitation agencies to determine what compensation levels are appropriate for the job duties of district positions and to present the results to the board.	1	Fiscal Year 2016-17		
	18. The district should implement the remaining recommendations contained in its human resources consultants' work plan by the targeted dates shown in Table 3 on page 18 of our report, and improve its performance management system to ensure that staff receive required annual performance evaluations.	1	December 2016		
	19. The district should implement the remaining recommendations contained in its human resources consultants' work plan by the targeted dates shown in Table 3 on page 18 of our report, and develop and document a policy that requires board members and supervisors to attend harassment prevention training biannually and a process for monitoring their attendance.	1	December 2016		
<b>Sacramento City Unified School District</b>					
 School Safety and Nondiscrimination Laws: Most Local Educational Agencies Do Not Evaluate the Effectiveness of Their Programs, and the State Should Exercise Stronger Leadership 2012-108 (August 2013)*	15. To ensure that it is effectively preventing and addressing incidents of discrimination, harassment, intimidation, and bullying in its schools, Sacramento City Unified should ensure that school sites follow the complaint procedures established in its policies.	3	†	●	
<b>Shasta County</b>					
 Indian Gaming Special Distribution Fund: Local Governments Continue to Have Difficulty Justifying Distribution Fund Grants 2010-036 (February 2011)*	6. To help ensure that they meet the grant requirements established in the Government Code, counties should require that the county auditor review each grant application to ensure a rigorous analysis of a casino's impact and of the proportion of funding for the project provided by the grant. Benefit committees should consider a grant application only when the county auditor certifies that the applicant has quantified the impact of the casino and verifies that the grant funds requested will be proportional to the casino's impact.	5	Next Funding Cycle		

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	30. To help ensure that they meet the grant requirements established in the Government Code, counties should ensure that benefit committees' conflict-of-interest codes comply with the political reform act by reviewing the act and their codes, and changing the codes as necessary to meet the act's requirements.	5	Next Funding Cycle		
<b>Victorville Water District</b>					
 <b>Apple Valley Area Water Rates: Differences in Costs Affect Water Utilities' Rates, and One Utility May Have Spent Millions of Ratepayer Funds Inappropriately</b> 2014-132 (April 2015)	2. To assist low-income water customers, Victorville should work with its governing body to consider the feasibility of using revenues from sources other than water rates to implement a rate assistance program.	1	Will Not Implement		
	6. To demonstrate to water customers how they are working to keep rates reasonable, the four water utilities should document their cost-saving efforts and quantify, to the extent possible, any specific cost savings achieved from their respective efforts.	1	Will Not Implement		
	7. To ensure that it does not use revenues from ratepayers for inappropriate purposes, by October 2015, Victorville should revise its policies to prohibit transfers or loans of water fee revenue for nonwater district purposes. Victorville should also revise its investment policy that specifies the circumstances under which it can invest water revenues—setting prudent limits on its investment in assets that the Victorville city council manages.	1	Will Not Implement		
	8. To address the excess interest expense resulting from loans to the city of Victorville and the building of the wastewater plant, Victorville should seek reimbursement from the city for its unrecovered costs. Victorville should work with the city to prepare and submit to the water district board and the Victorville city council by October 2015 a formal repayment plan including specific dates and payments to be made to ensure that the water district and its ratepayers are made whole. When the water district board approves such a plan, it should take steps to ensure compliance with the repayment plan.	1	Will Not Implement		



\* Other recommendations pertaining to this audit, which have been fully implemented, can be found in Table 5.



† Contrary to the California State Auditor's determination, the auditee believes it has fully implemented the recommendation.

‡ We are reviewing documentation related to this recommendation as part of an ongoing audit that is scheduled to be issued in Spring 2017.

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**Table 5**  
**Recommendations Made to Nonstate Entities That Are More Than One Year Old and Were Fully Implemented or Resolved Since Last Year’s Report or the Entities’ One-Year Responses**  
**(Reports Issued From January 2011 Through October 2015)**

REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	STATUS	NUMBER OF YEARS RECOMMENDATION HAS APPEARED IN THIS REPORT
<b>NONSTATE ENTITIES</b>			
<b>City of Vernon</b>			
 City of Vernon: Although Reform Is Ongoing, Past Poor Decision Making Threatens Its Financial Stability 2011-131 (June 2012)*	4. To increase accountability and transparency in its governance, the city should develop a formal policy that describes the circumstances under which revenues can be transferred from its power department, and the limits and permissible uses of transferred revenue.	Fully Implemented	4
	9. To ensure that it develops complete and appropriate personnel policies and procedures, the new human resources director should ensure that the city’s policies and procedures include, at a minimum, an improved methodology for and analysis of future salary surveys, ensuring that they are performed by staff or a consultant with experience and expertise in the area of salary surveys.	Fully Implemented	4
	16. To better control contract expenditures and ensure that it receives the best value for the services it purchases, the city should require that all contracts contain a well-defined scope of work and deliverables that a sufficiently detailed invoice can be measured against.	Fully Implemented	4
	20. To the extent that the city implements policies that affect contracts, the city should also ensure that it reviews all current contracts and amends them, if necessary, to comply with newly established policies.	Fully Implemented	4
	27. To address the structural deficit in its general fund, the city should seek long-term solutions to balance the general fund’s expenditures and revenues and lessen its reliance on transfers from other city funds. These solutions could include revenue increases, such as the proposed increased and new parcel tax, as well as looking for ways to reduce expenditures.	Fully Implemented	4
	34. To ensure that it can demonstrate sufficient analysis and provide justification for its decisions on significant energy-related transactions, the city should develop an integrated energy strategy that examines all elements of its energy needs, sources, and objectives.	Fully Implemented	4
	35. To ensure that it can demonstrate sufficient analysis and provide justification for its decisions on significant energy-related transactions, the city should create a formal process and guidelines that include the following: identifying the benefits and risks of proposed transactions, quantifying the benefits and risks of proposed transactions, evaluating and comparing proposed transactions against alternative proposals, quantifying the impact of proposed transactions on short-term and long-term rates paid by the city’s energy customers, seeking an independent validation of the fair market value of proposed transactions, and documenting and communicating the findings of the evaluation process to the city council.	Fully Implemented	4
	38. To ensure that any future decisions to enter into interest rate swaps are carefully considered, the city should develop and follow a process that thoroughly analyzes the risks and benefits of the potential swap transaction.	Fully Implemented	4
	39. To ensure that any future decisions to enter into interest rate swaps are carefully considered, the city should specifically disallow the use of derivatives for speculative purposes and should require the retention of the documents and analyses that support the decision to enter into the swap.	Fully Implemented	4
<b>County of Butte</b>			
 Indian Gaming Special Distribution Fund: Counties’ Benefit Committees Did Not Always Comply With State Laws for Distribution Fund Grants 2013-036 (March 2014)*	19. To ensure that the benefit committee members and other designated individuals comply with reform act requirements for filing statements of economic interests, after Butte County’s benefit committee has appointed a filing officer, the filing officer should attend FPCC training and notify designated individuals of their responsibility to submit statements of economic interests and follow up with those who fail to file.	Fully Implemented	2
<b>County of Riverside</b>			
 Indian Gaming Special Distribution Fund: Local Governments Continue to Have Difficulty Justifying Distribution Fund Grants 2010-036 (February 2011)*	3. To help ensure that they meet the grant requirements established in the Government Code, counties should require that the county auditor review each grant application to ensure a rigorous analysis of a casino’s impact and of the proportion of funding for the project provided by the grant. Benefit committees should consider a grant application only when the county auditor certifies that the applicant has quantified the impact of the casino and verifies that the grant funds requested will be proportional to the casino’s impact.	Resolved	5

REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	STATUS	NUMBER OF YEARS RECOMMENDATION HAS APPEARED IN THIS REPORT
<b>Los Angeles Emergency Medical Services Agency</b>			
 Los Angeles County: Lacking a Comprehensive Assessment of Its Trauma System, It Cannot Demonstrate That It Has Used Measure B Funds to Address the Most Pressing Trauma Needs 2013-116 (February 2014)*	9. To determine the adequacy and effectiveness of the helicopter services it provides to residents of underserved areas who suffer a trauma injury, EMS should collect, assess, and report accurate and complete data on the number of cancelled flights in each of these underserved areas, including the method of transportation used instead of helicopters and the transport times and trauma patient outcomes.	Fully Implemented	2
<b>Quartz Hill Water District</b>			
Antelope Valley Water Rates: Various Factors Contribute to Differences Among Water Utilities 2013-126 (July 2014)*	1. To ensure that water customers are able to have an understanding of how rate increases are determined, Quartz Hill Water District should include information in its public notices providing reasonably sufficient details of the basis of its fee methodology.	Fully Implemented	2
	6. To ensure that its water customers have access to Quartz Hill Water District's rate methodology and other factors that help it determine rate increases, the utility should keep all documentation it uses to calculate or otherwise explain the need for rate increases for as long as the rate increases are in effect.	Fully Implemented	2
<b>Sacramento City Unified School District</b>			
 School Safety and Nondiscrimination Laws: Most Local Educational Agencies Do Not Evaluate the Effectiveness of Their Programs, and the State Should Exercise Stronger Leadership 2012-108 (August 2013)*	10. To ensure that it is effectively preventing and addressing incidents of discrimination, harassment, intimidation, and bullying in its schools, Sacramento City Unified should measure the effectiveness of its school safety programs at both the district and school site levels.	Fully Implemented	3
<b>Salinas Valley Memorial Healthcare System</b>			
Salinas Valley Memorial Healthcare System: Increased Transparency and Stronger Controls Are Necessary as It Focuses on Improving Its Financial Situation 2011-113 (March 2012)	5. To help reduce its operating costs and improve its overall financial situation, the Health Care System should continue to try to modify its employee benefits, such as paid time off, so they are aligned with industry practice.	Fully Implemented	4

\* Other recommendations pertaining to this audit, which have not been fully implemented, can be found in Table 4.