

Report 2017-041

# Recommendations Not Fully Implemented After One Year

The Omnibus Audit Accountability Act of 2006

COMMITMENT

INTEGRITY

LEADERSHIP





**CALIFORNIA STATE AUDITOR**

621 Capitol Mall, Suite 1200 | Sacramento | CA | 95814



**916.445.0255** | TTY **916.445.0033**



For complaints of state employee misconduct,  
contact us through the **Whistleblower Hotline:**

**1.800.952.5665**

*Don't want to miss any of our reports? Subscribe to our email list at*

[auditor.ca.gov](https://auditor.ca.gov)



January 11, 2018

2017-041

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 2010 through October 2016, the State Auditor issued 232 reports on audits and investigations of state agencies. Those reports included 1,730 recommendations and state agencies had fully implemented 1,437 or 83 percent, as of October 2017. However, we identified that 293 recommendations more than one year old remain outstanding. Similarly, the State Auditor issued 60 reports to nonstate entities, such as counties or school districts. Those reports included 565 recommendations and as of October 2017, the nonstate entities had implemented 498, or 88 percent of them. 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.

The State Auditor's audit and investigative efforts bring the greatest return when agencies act upon its findings and recommendations. For example, in August 2014 the State Auditor released an audit concerning the California Department of Health Care Services' (Health Care Services) administration of the Drug Medi-Cal Treatment Program (program). Health Care Services is currently responsible for administering the program, but prior to July 2012, Health Care Services had an agreement with the California Department of Alcohol and Drug Programs (ADP) to administer the program. The State Auditor found that Health Care Services' and ADP's failure to properly administer the program created opportunities for fraud. Specifically, an analysis of four years of statewide program claims billing data identified \$93.7 million in payments that Health Care Services and ADP authorized for more than 2.6 million outpatient drug-free services that are potentially indicative of fraudulent activity. Furthermore, neither Health Care Services nor ADP consistently followed its own certification processes. Consequently, our review of the files of 30 program provider applicants found serious deficiencies in each. As a result of our concerns, the State Auditor directed 35 recommendations to Health Care Services. As of December 2017, Health Care Services had fully implemented 27 recommendations. Although eight recommendations remain outstanding, we believe that Health Care Services has made significant progress. For example, it has implemented our recommendation to train staff regularly on the program requirements to prevent certification of ineligible providers and to coordinate with appropriate counties to recover inappropriate payments for services purportedly rendered to deceased beneficiaries, among others. We believe that by implementing all of the State Auditor's recommendations, Health Care Services can further strengthen the program and ensure it is using funds appropriately.

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

Blank page inserted for reproduction purposes only.

## Contents

Introduction	1
<b>Table 1</b> Recommendations Made to State Entities That Are More Than Five Years Old and Are Still Not Fully Implemented	5
<b>Table 2</b> Recommendations Made to State Entities That Are More Than One Year Old and Are Still Not Fully Implemented	9
<b>Table 3</b> 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	53
<b>Table 4</b> Recommendations Made to Nonstate Entities That Are More Than One Year Old and Are Still Not Fully Implemented	65
<b>Table 5</b> 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	79

Blank page inserted for reproduction purposes only.

## INTRODUCTION

As required by the Omnibus Audit Accountability Act of 2006 (Accountability Act), the California State Auditor (State Auditor) presents its report on the status of recommendations that are more than one year old and have not been fully implemented by the audited entities. 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 investigate 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 reports 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 2010 through October 2016, 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 the result of an investigation.<sup>1</sup> The State Auditor made 1,730 recommendations to the audited state agencies in those reports, of which 1,437 have been fully implemented. Since the last report issued on January 12, 2017, state agencies implemented 94 long-outstanding recommendations. However, the State Auditor identified 293 recommendations made to 47 agencies that had been outstanding at least one year and remained not fully implemented as of October 2017.<sup>2</sup>

### *Nonstate Entities*

From January 2012 through October 2016, the State Auditor issued 60 reports that included nonstate entities and made 565 recommendations to these entities. Since the last report issued on January 12, 2017, eight entities implemented a total of 21 recommendations. As of October 2017, the State Auditor identified 67 recommendations issued to 26 nonstate entities that are more than one year old and not fully implemented.


<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 report 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 investigate reports. The State Auditor initiated the investigations in response to whistleblower complaints or other information suggesting improper governmental activities.

<sup>2</sup> Excludes recommendations for legislative changes. We report on those recommendations to the Legislature in a separate report.

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

The State Auditor's audit and investigative efforts bring the greatest return when agencies act upon its findings and recommendations. For example, in August 2014 the State Auditor released an audit concerning the California Department of Health Care Services' (Health Care Services) administration of the Drug Medi-Cal Treatment Program (program). Health Care Services is currently responsible for administering the program, but prior to July 2012, Health Care Services had an agreement with the California Department of Alcohol and Drug Programs (ADP) to administer the program. The State Auditor found that Health Care Services' and ADP's failure to properly administer the program created opportunities for fraud. Specifically, an analysis of four years of statewide program claims billing data identified \$93.7 million in payments that Health Care Services and ADP authorized for more than 2.6 million outpatient drug-free services that are potentially indicative of fraudulent activity. A review of providers' documentation for 338 of these services found that 10 of the 16 providers visited could not locate the patient records or provide adequate documentation to support 74 of the services they purportedly rendered. Moreover, neither Health Care Services nor ADP consistently followed its own certification processes. Consequently, our review of the files of 30 program provider applicants found serious deficiencies in each. The State Auditor directed 35 recommendations to Health Care Services. As of December 2017, Health Care Services has fully implemented 27 recommendations. Although eight recommendations remain outstanding, Health Care Services has made significant progress. For example, it has implemented recommendations to train staff regularly on the program requirements to prevent certification of ineligible providers and to coordinate with appropriate counties to recover inappropriate payments for services purportedly rendered to deceased beneficiaries, among others. By implementing all of the State Auditor's recommendations, Health Care Services can further strengthen the program and ensure it is using its funds appropriately.

In October 2017, the State Auditor mailed notices to audited and investigated entities regarding recommendations more than a year old and not fully implemented, corresponding to reports issued from November 2010 through October 2016. The tables beginning on page 5 summarize and provide information on recommendations issued between November 2010 and October 2016. Table 1 shows recommendations more than five years old, issued between November 2010 and October 2011, which have not been fully implemented as of the agencies' latest responses. Because the recommendations shown in Table 1 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 that have not been fully implemented for audits and investigations pertaining to state entities, issued between November 2011 and October 2016. 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 47, 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 59 and 73 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.



**Index**




**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	2010-116	California Department of Corrections and Rehabilitation, Department of State Hospitals
B	2010-117	Department of Finance, Department of Water Resources
C	2011-120	California Department of Transportation, Department of General Services
D	2012-107	California Department of Public Health, Department of Developmental Services
E	2012-110	California Governor's Office of Emergency Services, California Natural Resources Agency, Department of Motor Vehicles
F	2012-122	Department of Health Care Services, Mental Health Services Oversight and Accountability Commission
G	2012-603	California Department of Human Resources, State Controller's Office, California Science Center
H	2013-109	California Public Utilities Commission, Office of Ratepayer Advocates
I	2013-124	University of California; University of California, Berkeley; University of California, Los Angeles
J	2014-116	Department of Consumer Affairs, California Department of Technology, Board of Registered Nursing
K	2014-124	California Public Utilities Commission, Department of Motor Vehicles
L	2015-032	Chancellor of the California Community Colleges, The California State University, University of California
M	2015-508	California Workforce Investment Board, Employment Development Department
N	2016-1	Department of Developmental Services, Department of Water Resources
<b>Nonstate Entities With Recommendations—Included in Tables 4 and 5</b>		
O	2013-036	Butte County, County of San Diego, County of Riverside
P	2014-132	Golden State Water Company, Hesperia Water District, Victorville Water District
Q	2015-115	County of Alameda, County of Santa Clara
R	2015-132	County of Fresno, County of Los Angeles
S	2015-134	City of Novato, City of Pasadena, City of San Rafael
<b>State and Nonstate Entities With Recommendations—Included in Tables 2, 3, 4, and 5</b>		
T	2012-108	California Department of Education, Sacramento City Unified School District
U	2015-112	California Department of Education, East Side Union High School District, Long Beach Unified School District, Riverside County Special Education Local Plan Area
V	2015-130	California Department of Justice, Los Angeles Police Department, Santa Ana Police Department, Santa Clara County Sheriff's Office
W	2015-131	Medical Board of California, California Department of Social Services, Department of Health Care Services, County of Sonoma

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.


Blank page inserted for reproduction purposes only.

**Table 1**  
**Recommendations Made to State Entities That Are More Than Five Years Old and Are Still Not Fully Implemented**  
**(Reports Issued From November 2010 Through October 2011)**

REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	NUMBER OF YEARS RECOMMENDATION HAS APPEARED IN THIS REPORT	ESTIMATED DATE OF COMPLETION
<b>CORRECTIONS AND REHABILITATION</b>			
<b>California Department of Corrections and Rehabilitation</b>			
 <p>Department of Corrections and Rehabilitation: The Benefits of Its Correctional Offender Management Profiling for Alternative Sanctions Program Are Uncertain 2010-124 (September 2011)</p>	<p>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.</p>	6	June 2018
 <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>	<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.</p>	6	Will Not Implement
	<p>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.</p>	6	Will Not Implement
<b>GENERAL GOVERNMENT</b>			
<b>Department of Finance</b>			
 <p>General Obligation Bonds: The Departments of Water Resources and Finance Should Do More to Improve Their Oversight of Bond Expenditures 2010-117 (May 2011)</p>	<p>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.</p>	6	Will Not Implement
	<p>2. To enhance the value of the Bond Accountability Web site, Finance should develop a tracking and review process to periodically assess the completeness of the project information posted to the Web site. 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.</p>	6	Will Not Implement
<b>HEALTH AND HUMAN SERVICES</b>			
<b>California Department of Social Services</b>			
<p>Child Welfare Services: California Can and Must Provide Better Protection and Support for Abused and Neglected Children 2011-101.1 (October 2011)</p>	<p>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.</p>	6	Will Not Implement
	<p>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.</p>	6	February 2018

REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	NUMBER OF YEARS RECOMMENDATION HAS APPEARED IN THIS REPORT	ESTIMATED DATE OF COMPLETION
	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.	6	June 2017
	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.	6	Will Not Implement
	6. Social Services should create a mechanism by which it can efficiently check for compliance with the needs-justification requirement.	6	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.	6	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.	6	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.	6	Will Not Implement

**Department of State Hospitals\***


 <b>Sex Offender Commitment Program: Streamlining the Process for Identifying Potential Sexually Violent Predators Would Reduce Unnecessary or Duplicative Work</b> 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.	6	Will Not Implement
---	--	---	--------------------

**HIGHER EDUCATION****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</b> 2010-105 (July 2011)	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.	6	Will Not Implement
--	---	---	--------------------

**NATURAL RESOURCES****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</b> 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.	6	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.	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>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 Web site is regularly updated and contains accurate information.	6  Will Not Implement

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

Blank page inserted for reproduction purposes only.

**Table 2**  
**Recommendations Made to State Entities That Are More Than One Year Old and Are Still Not Fully Implemented**  
**(Reports Issued From November 2011 Through October 2016)**

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>BUSINESS, CONSUMER SERVICES, HOUSING</b>					
<b>California State Athletic Commission</b>					
State Athletic Commission: Its Ongoing Administrative Struggles Call Its Future Into Question 2012-117 (March 2013)	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.	4	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.	4	Will Not Implement		
	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.	4	July 2018		
	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.	4	July 2018		
<b>Department of Consumer Affairs</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)	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.	2	TBD		

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
	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.	2	TBD		
	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.	2	TBD		

**Medical Board of California**



California's Foster Care System: The State and Counties Have Failed to Adequately Oversee the Prescription of Psychotropic Medications to Children in Foster Care 2015-131 (August 2016)	35. Following the completion of the analysis (described in Recommendation 34), the Medical Board should take the appropriate follow-up actions that it deems necessary, including the investigation of physicians identified in its analysis.	1	January 2018		
---	---	---	--------------	--	--

**Physical Therapy Board of California**

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.	5	Will Not Implement		
---	---	---	--------------------	--	--

**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.	5	†	●	
	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.	5	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.	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
<b>California Correctional Health Care Services</b>					
Sterilization of Female Inmates: Some Inmates Were Sterilized Unlawfully, and Safeguards Designed to Limit Occurrences of the Procedure Failed 2013-120 (June 2014)	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.	3			
	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.	3	Fiscal Year 2018-19		
<b>California Department of Corrections and Rehabilitation</b>					
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 I2010-1045 (June 2013)‡	4. Adjust current employees' leave balances in the leave accounting system to correct any improper charging of leave identified by the audit.	4	October 2018		
	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.	4	October 2018		
Investigations of Improper Activities by State Agencies and Employees I2015-1 (August 2015)‡	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.	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
<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>	2	December 2020		
	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.	2	December 2018		
	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.	2	Will Not Implement		
<b>State Water Resources Control Board</b>					
Investigations of Improper Activities by State Agencies and Employees: Conflict of Interest, Violation of Post-Employment Ethics Restrictions, Waste of State Funds, Misuse of State Resources, and Incompatible Activities I2016-2 (August 2016)‡	1. Take appropriate corrective action against the district engineer and the supervisors for their participation in or failure to address the conflict of interest.	1	Unknown		
	3. Provide training to those responsible for reviewing statements of economic interests regarding how to identify conflicts of interests and when to consult with legal counsel.	1	February 2018		
State Water Resources Control Board: It Should Ensure a More Consistent Administration of the Water Quality Certification Program 2012-120 (June 2013)*	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.	4	December 2016		




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>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.	4	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.	4	July 2019		
	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.	4	January 2019		
	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.	4	December 2017		
<b>California Military Department</b>					
Investigations of Improper Activities by State Agencies and Employees I2014-1 (December 2014)‡	3. Establish a routine of completing a monthly inventory of expendable state property after the barcode system is implemented.	2	June 2018		
<b>California Public Utilities Commission</b>					
California Public Utilities Commission: Despite Administrative Weaknesses, It Has Generally Awarded Compensation to Intervenors 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.	4	June 2018		
	5. To comply fully with state law, the commission should conduct a comprehensive market rate study and update it periodically.	4	June 2018		




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
<p>California Public Utilities Commission: Improved Monitoring of Balancing Accounts Would Better Ensure That Utility Rates Are Fair and Reasonable 2013-109 (March 2014)</p>	<p>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.</p>	3	†	●	●
<p>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)</p>	<p>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.</p>	3	June 2018		
	<p>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.</p>	3	June 2020		
	<p>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.</p>	3	June 2018		
	<p>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.</p>	3	August 2017		
	<p>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.</p>	3	December 2017		
	<p>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.</p>	3	December 2018		

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 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.	2	June 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.	2	June 2018		
	11. The commission should ensure that it complies with all policy requirements in SAM Chapter 5300 no later than April 2016.	2	June 2020		
	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.	2	June 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.	2	June 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.	2	June 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.	2	December 2017		
	17. The commission should revise its existing recovery plan to include detailed procedures for rebuilding its technology infrastructure at an alternate processing site.	2	June 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.	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
California Public Utilities Commission: It Should Reform Its Rules to Increase Transparency and Accountability, and Its Contracting Practices Do Not Align With Requirements or Best Practices 2016-104 (September 2016)	2. To ensure that the choice of a vendor is sufficiently justified and that the vendor represents the best value, the CPUC should explain in its final decision how the vendor was the most qualified in all cases when the CPUC does not competitively select the vendor it directs utilities to contract with.	1	December 2107		
	4. To avoid the appearance of inappropriate relationships, the CPUC should adopt a policy to prohibit commissioners from accepting gifts from regulated utilities and energy companies and free travel from organizations with significant ties to regulated utilities and other parties with financial interests in CPUC proceedings.	1	†		●
	6. To ensure that its contracting practices align with state requirements and best practices, the CPUC should update, distribute, and follow its contracting procedures manual. The manual should identify specific responsibilities for both contracts office staff and project managers, and it should provide specific guidance about the processes the CPUC will employ to do the following: <ul style="list-style-type: none"> <li>• Fully justify civil service exemptions.</li> <li>• Conduct market research for exempt contracts.</li> <li>• Fully support the need for additional funding.</li> <li>• Ensure that it does not change the scope of work too significantly from the original.</li> <li>• Monitor contractor performance against criteria included in its contracts.</li> <li>• Avoid sole-source contracts when it is able to solicit competitive bids for services.</li> </ul>	1	December 2017		
	7. To ensure that its contracting practices align with state requirements and best practices, the CPUC should provide immediate refresher training to its contract analysts and contracts office manager, and establish a regular schedule of annual training for them to attend.	1	†	●	●
	8. To ensure that its contracting practices align with state requirements and best practices, the CPUC should designate a limited number of project managers for each division at the CPUC, and provide those individuals with training on the CPUC's processes related to contracting, including how to monitor progress of a contractor's work.	1	June 2018		
	10. The CPUC should update its general policy on responding to California Public Records Act requests so that the policy aligns with state law.	1	December 2017		
	11. The CPUC should develop and follow procedures to regularly track and review California Public Records Act requests it has not fully responded to and determine whether it can provide information.	1	†	●	

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
	13. The CPUC should update its regulations to require parties joining a proceeding by filing a protest or response to an application or petition, or by filing comments in response to a rulemaking proceeding to fully disclose their interests in the proceeding.	1	June 2018		
	14. The CPUC should ensure that it has accurate information about who is required to file statements of economic interests and then verify that all such persons file those statements when required.	1	December 2017		
	15. The CPUC should update and follow its retention policy for economic interest disclosures so that it is aligned with state law.	1	June 2018		
 <b>K</b> California's Alternative Energy and Efficiency Initiatives: Two Programs Are Meeting Some Goals, but Several Improvements Are Needed 2014-124 (February 2015)*	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.	2	June 2018		
<b>Office of Ratepayer Advocates</b>					
 <b>H</b> California Public Utilities Commission: Improved Monitoring of Balancing Accounts Would Better Ensure That Utility Rates Are Fair and Reasonable 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.	3	Will Not Implement		
<b>GOVERNMENT OPERATIONS</b>					
<b>California Department of Human Resources</b>					
 <b>G</b> 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.	3	†	●	
	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.	3	August 2018		
	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.	3	August 2018		

STATE AUDITOR'S ASSESSMENT

REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	NUMBER OF YEARS RECOMMENDATION HAS APPEARED IN THIS REPORT	ESTIMATED DATE OF COMPLETION	AUDITEE DID NOT SUBSTANTIATE ITS CLAIM OF FULL IMPLEMENTATION	AUDITEE DID NOT ADDRESS ALL ASPECTS OF THE RECOMMENDATION
<b>California Department of Technology</b>					
 <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>	<p>14. To ensure that IT projects have the oversight needed to better position them for success, CalTech 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, CalTech should require the department to conduct a cost-benefit analysis for the project and include this analysis in an SPR. CalTech 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.</p>	2	January 2018		
<p>28. To ensure that contracting departments comply with requirements, CalTech should periodically monitor the status of contracts and enforce adherence to procurement requirements. For example, CalTech 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.</p>	2	†	●		
<p>California Department of Veterans Affairs: The State Paid Nearly \$28 Million for a Flawed System That Fails to Meet the Needs of Its Veterans Homes 2015-121 (June 2016)</p>	<p>14. Although the Technology Department indicated that its intent is not to outsource its statutory responsibility for IPO, in any instances where its staff conduct a portfolio review of a project's IPO, the Technology Department should, by December 2016, establish a process for its review of documents created by the agency's IPO contractor that includes verifying whether these reports include critical analysis of project progress and vendor performance so it can intervene when necessary.</p>	1	†	●	●
<p>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)*</p>	<p>6. To help ensure the independence and objectivity of IPO analysts working in the oversight and consulting division, CalTech should provide regular training regarding maintaining independence while conducting project oversight.</p>	2	March 2018		
<p>9. To ensure that the sponsoring agencies' project status reports provide a reliable and consistent assessment of an IT project's progress, CalTech should develop and adopt specific standards that describe how to calculate and report the project's current status.</p>	2	December 2017			
<p>10. To attract and retain employees with appropriate experience and qualifications to perform IT project oversight, CalTech should continue its efforts to gain approval to modify and use the project manager classification for the IPO analyst role.</p>	2	January 2019			
<p>13. To improve its oversight training, by June 2015 CalTech 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.</p>	2	June 2018			



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
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.	2	May 2018		
	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.	2	May 2018		
	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.	2	May 2018		
	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.	2	June 2018		
	10. To improve the clarity of the security standards, the technology department should perform regular outreach to all reporting entities to gain their perspectives, identify any unclear or inconsistent security standards, and revise them as appropriate.	2	July 2018		
<b>Department of General Services</b>					
California Department of General Services' Real Estate Services Division: To Better Serve Its Client Agencies, It Needs to Track and Analyze Project Data and Improve Its Management Practices 2015-117 (March 2016)	2. To ensure long-term efficient and effective delivery of projects, the division, in its planned implementation of its new project management system in July 2017, should ensure that the project management system can centrally track and extract all data regarding project status, including time delays, cost overages, and the reasons for each.	1	June 2018		
	3. To ensure long-term efficient and effective delivery of projects, the division, in its planned implementation of its new project management system in July 2017, should track the reasons that projects are pending to identify its true backlog of projects. In doing so, it should develop a process to follow up on those projects that are pending to ensure that they are not on hold unnecessarily and are appropriately moving forward.	1	June 2018		
	4. To ensure long-term efficient and effective delivery of projects, the division, in its planned implementation of its new project management system in July 2017, should, at least annually, use the centrally tracked data to identify common themes in the causes for project delays and cost overages and develop solutions to address these issues. Further, it should report the results of its review to General Services' executive management.	1	June 2018		

continued on next page ...

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
	5. Until the division implements its planned project management system, it should, by September 2016, develop a process to, at a minimum, identify project status and reasons for project delays as well as cost overages. Using these data, the division should modify its project management processes to ensure the efficient and effective delivery of projects.	1	Will Not Implement		
	6. The division should develop and implement a process for preparing reasonable time frames and cost estimates for its projects within the building management branch. To better inform the development of this process, the division should evaluate the branch's structure, which should include a staffing analysis, to determine whether it is effectively organized and whether it should add cost estimator positions.	1	June 2018		
	7. To ensure that client agencies are paying equitable rates, by December 2016 General Services should develop and implement a strategy for allocating its administrative costs equally among all the projects it completes for client agencies, including those portions outsourced to private firms.	1	†	●	
	8. To ensure that the project management branch charges its client agencies a competitive hourly rate, by December 2016 and every two years thereafter, the division should conduct a rate analysis that fully accounts for differences between the project management branch's rate and private firms' rates. If it finds that the rates are not competitive, the division should identify and implement strategies to ensure that the project management branch's rates are as competitive as they can be with those of its private firm counterparts. Further, the division should explore and implement any other reasonable methods to ensure that it is delivering projects as cost effectively as possible.	1	July 2017		
	9. To improve its communication with client agencies, the division should ensure that project managers are using consistent procedures by providing specific expectations related to communicating and documenting time delays, cost changes, and change orders, at a minimum.	1	January 2018		
	10. To improve its communication with client agencies, the division should develop a process for providing periodic detailed bills and invoices to client agencies clearly describing the work for which it is charging.	1	June 2018		
	11. To effectively evaluate the performance of its branches in delivering projects, the division should develop meaningful goals and objectives and a method of measuring its success in achieving them as part of its strategic plan that is focused on ensuring that projects are delivered on time and within budgeted cost estimates.	1	July 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
	12. To ensure that its project management staff are adequately trained and have the information necessary to deliver projects as efficiently and effectively as possible, the division should conduct a comprehensive survey every other year of all of its client agencies to inform necessary improvements to its processes and training program and, in the interest of transparency, make the survey results public.	1	†	●	
	13. To ensure that its project management staff are adequately trained and have the information necessary to deliver projects as efficiently and effectively as possible, the division should develop and implement by December 2016 a periodic training program for staff within its project management and building management branches. This training program should include updated information that reflects any processes it revises based on its review of critical project status data and its progress toward meeting its goals.	1	July 2018		
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.	5	†		●

**HEALTH AND HUMAN RESOURCES**

**California Department of Public Health**

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.	2	Will Not Implement		
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.	3	†		●

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
	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.	3	†	●	●
	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.	3	†	●	
	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.	3	†	●	
	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.	3	†	●	
	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.	3	March 2018		
	14. To ensure that it has closed complaints and ERIs 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.	3	†	●	●


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>Developmental Centers: Poor-Quality Investigations, Outdated Policies, Leadership and Staffing Problems, and Untimely Licensing Reviews Put Residents at Risk</b> 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.	4	June 2019		
<b>Follow-Up—California Department of Public Health: Laboratory Field Services Is Unable to Oversee Clinical Laboratories Effectively, but a Feasible Alternative Exists</b> 2015-507 (September 2015)	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.	2	June 2018		
	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.	2	July 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.	2	June 2019		
 <b>California's Foster Care System: The State and Counties Have Failed to Adequately Oversee the Prescription of Psychotropic Medications to Children in Foster Care</b> 2015-131 (August 2016)	30. To improve the oversight of psychotropic medications prescribed to foster children, Social Services should collaborate with the counties and other relevant stakeholders—including Health Care Services, as necessary—to develop and implement a reasonable oversight structure that ensures the coordination of the State's and counties' various oversight mechanisms as well as the accuracy and completeness of the information in Social Services' data system. This structure should include at least the following items: <ul style="list-style-type: none"> <li>• Identification of the specific oversight responsibilities to be performed by the various state and local government agencies.</li> <li>• An agreement on how county staff such as social workers, probation officers, and public health nurses will use printed Health and Education Passports to obtain foster children's necessary mental health information—including psychotropic medications and psychosocial services—for inclusion in Social Services' data system.</li> <li>• A plan to ensure that counties have sufficient staff available to enter foster children's mental health information into Social Services' data system and the resources to pay for those staff.</li> <li>• An agreement on the specific information related to psychotropic medication—including but not limited to the medication name, maximum daily dosage, and court authorization date—and psychosocial services and medication follow-up appointment information that county staff must enter into Social Services' data system for inclusion in foster children's Health and Education Passports.</li> <li>• Specific directions from Social Services regarding the correct medication start dates and court authorization dates counties should include in its data system and foster children's Health and Education Passports.</li> </ul>	1	Spring 2018		

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
	<ul style="list-style-type: none"> <li>• An agreement on the training or guidance Social Services should provide to county staff members working with Social Services' data system to ensure that they know how to completely and accurately update foster children's Health and Education Passports.</li> <li>• An agreement on how the counties will use information on the new authorization forms that the Judicial Council approved to better oversee the prescription of psychotropic medications to foster children.</li> <li>• An agreement regarding how counties will implement, use, or disseminate the educational and informational materials the Quality Improvement Project has produced, including the "California Guidelines for the Use of Psychotropic Medication with Children and Youth in Foster Care", "Questions to Ask About Medications", and the "Foster Youth Mental Health Bill of Rights".</li> <li>• An agreement on the specific measures and the best available sources of data the State and counties will use to oversee foster children prescribed psychotropic medications, including psychosocial services and medication follow-up appointments.</li> <li>• An agreement on how the State and counties will oversee psychotropic medications prescribed to foster children by fee-for-service providers who are not affiliated with county Medi-Cal mental health plans.</li> <li>• An agreement on the extent of information related to psychotropic medications prescribed to foster children that counties will include in the self-assessments, system improvement plans, and annual progress reports they develop as part of Social Services' California Child and Family Services Reviews.</li> <li>• An agreement on the extent of the information related to psychotropic medications prescribed to foster children that counties will include in their responses to Health Care Services' reviews, including its county Medi-Cal mental health plan compliance.</li> </ul>				
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.	3	March 2018		
	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.	3	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
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.	2	†	●	
	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.	2	December 2017		
	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.	2	February 2018		
	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.	2	Will Not Implement		
	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.	2	June 2019		
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)*	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.	2	June 2019		

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
	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.	2	June 2019		
	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.	2	Will Not Implement		
	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.	2	December 2017		
	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.	2	June 2019		
	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.	2	June 2019		
	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.	2	December 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.	2	December 2017		
<b>California Health Benefit Exchange</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 2013-602 (July 2013)	4. To ensure financial sustainability, Covered California should conduct regular reviews of enrollment, costs, and revenue and make prompt adjustments to its financial sustainability plan as necessary.	4	March 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>Department of Developmental Services</b>					
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.	2	Will Not Implement		
Department of Developmental Services: It Cannot Verify That Vendor Rates for In-Home Respite Services Are Appropriate and That Regional Centers and Vendors Meet Applicable Requirements 2016-108 (October 2016)	4. To ensure that regional centers are aware of the benefits, including cost savings to the State that can be realized by using FMS vendors, DDS should formally communicate to regional centers regarding the model.	1	January 2018		
	5. To ensure that in-home respite vendors are providing quality services and that vendors are adhering to state requirements, DDS should issue regulations requiring regional centers to conduct periodic and ongoing reviews of vendors' programs, employees, and consumer records.	1	Will Not Implement		
	6. To ensure that in-home respite vendors comply with vendor requirements on an ongoing basis, DDS should require the regional centers to develop a process to conduct biennial reviews of the vendor files the regional centers maintain and document the outcome of the review in the files. DDS should require the regional centers to take appropriate action to ensure that vendors comply, up to and including terminating the vendorization, if necessary.	1	January 2018		
	7. To ensure that it is providing oversight in accordance with state law and federal requirements, DDS should ensure that it performs audits of each regional center every two years as required. In conducting these audits, DDS should consistently include a review of in-home respite services.	1	December 2018		
 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.	4	†	●	
<b>Department of Health Care Services</b>					
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.	2	December 2016		




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 Department of Health Care Services: It Should Improve Its Administration and Oversight of School-Based Medi-Cal Programs 2014-130 (August 2015)	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.	2	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.	2	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.	2	†	●	
	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.	2	†		●
	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.	2	On-going audits		
	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.	2	Will Not Implement		
	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.	2	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.	2	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
	<p>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:</p> <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>	2	January 2018		
	<p>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.</p>	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
	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.	2	January 2018		
	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.	2	†		●
	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.	2	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.	2	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.	2	January 2018		
	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.	2	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
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)	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.	2	†		●
	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.	2	†		●
	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.	2	January 2018		
	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.	2	October 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.	3	July 2017		
	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.	3	†		●
	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.	3	Unknown		
	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.	3	†		●

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 Department of Health Care Services: Weaknesses in Its Medi-Cal Dental Program Limit Children's Access to Dental Care 2013-125 (December 2014)	24. To prevent the certification of ineligible providers, Health Care Services should immediately develop a schedule for recertifying all program providers every five years.	3	January 2018		
	25. To prevent the certification of ineligible providers, Health Care Services should immediately continue its implementation of an automated provider enrollment system.	3	January 2018		
	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.	3	†	●	
	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.	3	†	●	
	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.	2	†	●	
	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.	2	August 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.	2	August 2017		
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.	2	December 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.	2	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
 <b>California's Foster Care System: The State and Counties Have Failed to Adequately Oversee the Prescription of Psychotropic Medications to Children in Foster Care</b> 2015-131 (August 2016)	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.	2	†	●	●
	24. To ensure that Health Care Services and its fiscal intermediaries reimburse providers only for services rendered to eligible beneficiaries, Health Care Services should coordinate with the appropriate fiscal intermediaries to recover inappropriate payments made for services purportedly rendered to deceased beneficiaries, if necessary.	2	†	●	
	33. To increase the State's assurance that foster children do not receive medically inappropriate or unnecessary psychotropic medications, Health Care Services should devise and implement within six months methods to better enforce its prior authorization requirement for the off-label use of psychotropic medications. For example, Health Care Services should revise its claims system to automatically prompt pharmacists to submit treatment authorization requests when filling prescriptions for Medi-Cal beneficiaries under age 18 when the prescribed psychotropic medications have no FDA-approved pediatric uses. Furthermore, as part of its collaboration with Social Services and the counties to develop and implement a reasonable oversight structure, Health Care Services should determine whether information from the Judicial Council's revised court authorization forms would help it better enforce its prior authorization requirements.	1	†	●	●
 <b>Intellectual Property: An Effective Policy Would Educate State Agencies and Take Into Account How Their Functions and Property Differ</b> 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.	5	DHCS has not yet determined the implementation date		
 <b>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</b> 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.	4	Fall 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.	4	Summer 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.	4	Next 12-18 months		

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
	6. To ensure that Health Care Services and other state entities can evaluate MSHA programs and assist the Accountability Commission in its efforts, Health Care Services should collect complete and relevant MSHA data from the counties.	4	Fall 2018		
	7. To ensure that Health Care Services and other state entities can evaluate MSHA 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.	4	End of CY 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.	4	December 2016		
	19. To help ensure county compliance with stakeholder regulations, Health Care Services should provide technical assistance to counties on the MSHA local planning review process and ensure that its guidance to counties is clear and consistent with state regulations.	4	December 2016		

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

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) <sup>S</sup>	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.	2	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.	2	December 2019		



**HIGHER EDUCATION**


**Chancellor of the California Community Colleges**

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.	3	TBD		
--	--	---	-----	--	--



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
	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.	3	TBD		
	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.	3	TBD		
	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.	3	TBD		
	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.	3	TBD		
	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.	3	TBD		

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
	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.	3	TBD		
 California's Postsecondary Educational Institutions: More Guidance Is Needed to Increase Compliance With Federal Crime Reporting Requirements 2015-032 (July 2015)	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.	2	October 2016		
<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 California 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.	3	December 2017		
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.	2	March 2018		
<b>University of California</b>					
 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.	2	January 2018		
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 (December 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.	4	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
 <b>Sexual Harassment and Sexual Violence: California Universities Must Better Protect Students by Doing More to Prevent, Respond to, and Resolve Incidents</b> 2013-124 (June 2014)*	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.	3	†		●
	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.	3	†		●
<b>The University of California: Its Admissions and Financial Decisions Have Disadvantaged California Resident Students</b> 2015-107 (March 2016)*	1. To meet its commitment to California residents, the university should replace its "compare favorably" policy with a new admission standard for nonresident applicants that reflects the intent of the Master Plan. The admission standard should require campuses to admit only nonresidents with admissions credentials that place them in the upper half of the residents it admits.	1	†	●	
	2. To meet its commitment to California residents, the university should amend its referral process by taking steps to increase the likelihood that referred residents ultimately enroll.	1	Full implementation in 2020 with completion of UC Merced 2020 Project		
	3. To ensure that campuses' interpretations of admission standards do not adversely impact residents, the university should implement a thorough process to annually evaluate the qualifications of students who apply and students who are admitted. These evaluations should highlight instances when campuses admit nonresidents who are less qualified than residents and should include corrective action steps. Moreover, this evaluation should include resident and nonresident undergraduate enrollment in majors at each campus. The university should make the results of this evaluation—including details of the academic qualifications of students who applied and who were admitted—publicly available.	1	†	●	
	7. To improve its internal operations and promote cost savings related to the nearly \$13 billion it spent on employee salaries in fiscal year 2014–15, the university should conduct a systemwide assessment to identify ways to streamline and reduce its employee costs.	1	Ongoing		
	8. To ensure the reasonableness of the compensation the university pays its executives, it should include—to the extent possible—all items of compensation when setting or adjusting salaries and benefits, when conducting surveys and studies, and when comparing the compensation packages of its executives to those in similar positions outside the university.	1	†	●	

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
	9. To ensure that its process for establishing and revising salaries for its top executives is documented, thorough, and consistently applied, the university should implement the five outstanding recommendations from its 2013 internal review report by August 2016.	1	†	●	
	10. To improve the transparency and timeliness of its annual compensation report, the university should streamline the process it uses to prepare the report so it can be issued by April of each year.	1	Will Not Implement		
	12. To maximize the savings and new revenue from the Working Smarter initiative and ensure that the university uses them for its academic and research missions, the Office of the President should immediately require that the campuses fully participate in all projects unless they can provide compelling evidence demonstrating a harmful effect.	1	Ongoing		
	13. To maximize the savings and new revenue from the Working Smarter initiative and ensure that the university uses them for its academic and research missions, the Office of the President should, by June 30, 2016, to the extent possible, implement a process to centrally direct these funds to ensure that campuses use them to support the core academic and research missions of the university.	1	†	●	
	14. To maximize the savings and new revenue from the Working Smarter initiative and ensure that the university uses them for its academic and research missions, the Office of the President should ensure that it substantiates that projects are actually generating savings and new revenue and that it can demonstrate how the university uses these funds.	1	July 2018		
	15. To ensure that its recruiting efforts benefit residents, the university should prioritize recruiting residents over nonresidents. In particular, the university should focus its recruiting efforts broadly to ensure that it effectively recruits resident underrepresented minorities. For example, the university could establish a limit on the amount of funds it dedicates to nonresident recruiting. Further, it should develop a process to better track its nonresident and resident recruiting expenditures.	1	†	●	
	16. To determine if the campuses are using funds to further the goals of the University of California system and the Legislature, the Office of the President should begin regularly monitoring and analyzing how campuses are using both state funds and nonresident supplemental tuition. If, after the close of the fiscal year, the Office of the President determines that campuses are not using state funds and/or nonresident supplemental tuition in accordance with those goals, the Office of the President should take steps to correct the campuses' spending decisions as soon as possible.	1	April 2018		


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
	17. To ensure that it spends state funds prudently for programs that do not directly relate to educating students, the university should track spending from state funds for programs that do not relate to educating students.	1	April 2018		
	18. To ensure that it spends state funds prudently for programs that do not directly relate to educating students, the university should reevaluate these programs each year to determine whether they continue to be necessary to fulfill the university's mission.	1	April 2018		
	19. To ensure that it spends state funds prudently for programs that do not directly relate to educating students, the university should explore whether the programs could be supported with alternate revenue sources.	1	December 2017		
	22. To ensure that its rebenching efforts lead to equalized per-student funding among the campuses, the university should adopt a methodology that it can use, at least every three to five years, to update its weighting system to ensure the weight factors take into account campuses' actual costs of instruction, using the cost study that we recommend in Chapter 1 and other revenue sources if necessary.	1	September 2020		
	23. To ensure that its rebenching efforts lead to equalized per-student funding among the campuses, the university should exclude from its rebenching calculation all state funding it uses for programs that do not directly relate to educating students. The university should exclude these programs only after it has evaluated them in accordance with the recommendation we made previously.	1	Will Not Implement		



**University of California, Berkeley**



**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.	3	†		●
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.	3	†		●
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.	3	†		●

REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	NUMBER OF YEARS 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>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.	2	June 2016			
<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)	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.	3	†		●	
	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.	3	†			●
	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.	3	†			●
<b>K THRU 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.	4	Will Not Implement			
	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.	4	†			●
Inglewood Unified School District: The State Superintendent of Public Instruction Needs to Better Communicate His Approach for Reforming the District 2015-101 (November 2015)	2. To assist the district with establishing priorities, and to ensure that the public is aware of those priorities, the state superintendent should direct his state administrator to develop annual performance objectives and an action plan to address FCMAT's findings and recommendations. Such an action plan should describe for the public why certain findings were prioritized and what steps the state administrator plans to take to improve the district's FCMAT scores.	1	June 2018			

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
	4. To provide the public an opportunity to fully understand the requirements for and the progress made toward restoring local control to the district's governing board, the state superintendent should direct his state administrator to establish regular advisory board agenda items to answer the public's questions concerning the efforts made toward achieving the exit criteria.	1	June 2018		
 <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</b> 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.	4	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 Web site 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.	4	†	●	
 <b>Student Mental Health Services: Some Students' Services Were Affected by a New State Law, and the State Needs to Analyze Student Outcomes and Track Service Costs</b> 2015-112 (January 2016)*	3. To ensure that all LEAs comply with federal special education requirements, Education should require them to include directly in a student's IEP document reasons for any changes to student placement or services.	1	Will Not Implement		
	8. To enable it to review additional areas of its special education program for quality assurance, Education should collect information about the frequency of the provision of each service contained in all students' IEPs. Education should then use this information to annually review the frequency of mental health services and follow up with SELPAs when it observes a significant reduction in the frequency of services.	1	Will Not Implement		
	9. To ensure that LEAs comply with federal and state requirements, Education should require all LEAs to use the IEP document to communicate the rationale for residential treatment and any potential harmful effects of such placement.	1	Will Not Implement		
	18. Education should analyze and report to the Legislature, by May 30, 2016, on the outcomes for students receiving mental health services statewide, including outcomes across the six performance indicators we identified, in order to demonstrate whether those services are effective. Once it has reported this statewide information, Education should provide each LEA throughout the State a report regarding the outcomes for the students the LEA served.	1	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
	20. To ensure that the State knows the amount LEAs spend to provide mental health services for student IEPs, before the start of the 2017–18 fiscal year, Education should develop, and require all LEAs to follow, an accounting methodology to track and report expenditures related to special education mental health services.	1	Will Not Implement		
	28. Education should require all LEAs and SELPAs that hold contracts for mental health services to annually obtain and retain copies of contractor personnel lists and the credentials or licenses for contractor personnel who provide mental health services to students in their respective LEA or SELPA.	1	June 2018		
	29. To ensure that the State provides special education and related services to all eligible students, Education should investigate the difference between the estimated number of school aged children statewide who have a severe emotional disturbance and the number receiving mental health services through an IEP and determine the reason for such a discrepancy. Education should then take any steps necessary to assist LEAs in identifying and providing services to children who are severely emotionally disturbed.	1	Will Not Implement		

#### LEGISLATIVE, JUDICIAL, AND EXECUTIVE

##### California Department of Justice

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)	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.	4	July 2019		
	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.	4	Unknown		
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.	3	†	●	●






**REPORT TITLE, NUMBER,  
AND ISSUE DATE**  
  
The CalGang Criminal  
Intelligence System: As the  
Result of Its Weak Oversight  
Structure, It Contains  
Questionable Information  
That May Violate Individuals'  
Privacy Rights  
2015-130 (August 2016)

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
The CalGang Criminal Intelligence System: As the Result of Its Weak Oversight Structure, It Contains Questionable Information That May Violate Individuals' Privacy Rights 2015-130 (August 2016)	10. As the Legislature considers creating a public program for shared gang database oversight and accountability, Justice should guide the board and the committee to identify and address the shortcomings that exist in CalGang's current operations and oversight. The guidance Justice provides to the board and the committee should address, but not be limited to, developing best practices based on the requirements stated in the federal regulations, the state guidelines and state law, and advising user agencies on the implementation of those practices. The best practices should include, but not be limited to reviewing criminal intelligence, appropriately disseminating information, performing robust audit practices, establishing plans to recover from disasters, and meeting all of the State's juvenile notification law requirements. Justice should guide the board and the committee to develop these best practices by June 30, 2017.	1	Dependent on enactment of legislation which would grant Justice the authority to execute and enforce the recommendations.		
	11. As the Legislature considers creating a public program for shared gang database oversight and accountability, Justice should guide the board and the committee to identify and address the shortcomings that exist in CalGang's current operations and oversight. The guidance Justice provides to the board and the committee should address, but not be limited to, instructing user agencies that use CalGang to complete a comprehensive review of all the gangs documented in CalGang to determine if they meet the necessary requirements for inclusion and to purge from CalGang any groups that do not meet the requirements. Justice should guide the board and the committee to ensure that user agencies complete this review in phases, with the final phase to be completed by June 30, 2018.	1	June 2018		
	12. As the Legislature considers creating a public program for shared gang database oversight and accountability, Justice should guide the board and the committee to identify and address the shortcomings that exist in CalGang's current operations and oversight. The guidance Justice provides to the board and the committee should address, but not be limited to, instructing all user agencies to complete a comprehensive review of the records in CalGang to determine if the user agencies have adequate support for the criteria associated with all the individuals they have entered as gang members. If the user agencies do not have adequate support, they should immediately purge the criteria—and, if necessary, the individuals—from CalGang. In addition, the user agencies should ensure that all the fields in each CalGang record are accurate. Justice should guide the board and the committee to ensure that user agencies complete this review in phases, with the final phase to be completed by September 30, 2019.	1	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
	13. As the Legislature considers creating a public program for shared gang database oversight and accountability, Justice should guide the board and the committee to identify and address the shortcomings that exist in CalGang's current operations and oversight. The guidance Justice provides to the board and the committee should address, but not be limited to, instructing all user agencies to report to Justice every six months, beginning in January 2017, on their progress toward completing their gang and gang member reviews.	1	Dependent on enactment of legislation which would grant Justice the authority to execute and enforce the recommendations.		
	14. As the Legislature considers creating a public program for shared gang database oversight and accountability, Justice should guide the board and the committee to identify and address the shortcomings that exist in CalGang's current operations and oversight. The guidance Justice provides to the board and the committee should address, but not be limited to, developing standardized periodic training content for all CalGang users and training instructors. Justice should guide the board and the committee to develop such standardized training content by June 30, 2017.	1	TBD		
	15. As the Legislature considers creating a public program for shared gang database oversight and accountability, Justice should guide the board and the committee to identify and address the shortcomings that exist in CalGang's current operations and oversight. The guidance Justice provides to the board and the committee should address, but not be limited to, establishing a plan to recertify all CalGang users and training instructors on the new training content. Justice should guide the board and the committee to complete the draft plan by June 30, 2017, and the recertification training by June 30, 2018.	1	October 2017		
	16. As the Legislature considers creating a public program for shared gang database oversight and accountability, Justice should guide the board and the committee to identify and address the shortcomings that exist in CalGang's current operations and oversight. The guidance Justice provides to the board and the committee should address, but not be limited to, developing policies and procedures requiring the disabling of user accounts for all individuals who no longer have a need to or right to access CalGang because they have separated from their employment with user agencies or for other reasons. Justice should guide the board and the committee to identify and disable all such accounts by September 30, 2016.	1	September 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
	18. To promote transparency and hold the board, the committee, and user agencies accountable for implementing and adhering to criminal intelligence safeguards, Justice should post quarterly reports on its website, beginning June 30, 2017, that summarize how it has guided the board and the committee to implement and adhere to criminal intelligence safeguards; the progress the board, the committee, and the user agencies have made in implementing and adhering to these safeguards; the steps these entities still must take to implement these safeguards; and any barriers to the board's and the committee's success in achieving these goals.	1	Unknown		
	19. To promote transparency and encourage public participation in CalGang's meetings, Justice should post summary results from the committee's audits of CalGang records to its website unless doing so would compromise criminal intelligence information or other information that must be shielded from public release.	1	Unknown		
<b>California Department of Tax and Fee Administration<sup>II</sup></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.	3	June 2020		
State Board of Equalization: Its Tobacco Tax Enforcement Efforts Are Effective and Properly Funded, but Other Funding Options and Cost Savings Are Possible 2015-119 (February 2016)*	2. Unless the Legislature directs the board to eliminate the compliance fund's excess fund balance within a time frame of more than a year, the board should eliminate the excess fund balance by June 30, 2017 by using it to offset the licensing program's annual funding shortfall. The board should also limit the fund's future balance to no more than two months' worth of licensing program expenditures.	1	July 2019		
<b>California Governor's Office of Emergency Services<sup>#</sup></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.	5	December 2018		
 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.	4	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
<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.	2	Will Not Implement		
<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.	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.	2	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.	2	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.	2	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.	2	Mid 2018		
	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.	2	†	●	
	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.	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
	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.	2	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.	2	Unknown		
Judicial Branch Procurement: Although the Judicial Council Needs to Strengthen Controls Over Its Information Systems, Its Procurement Practices Generally Comply With Applicable Requirements 2015-302 (December 2015)	2. The Judicial Council should develop a corrective action plan by February 29, 2016 to address the recommendation from our December 2013 audit report related to the controls over its information systems. The corrective action plan should include prioritizing the tasks, resources, primary and alternative funding sources, and milestones for all of the actions required to fully implement its framework of information system controls by June 2016. Further, the Judicial Council should continue to provide guidance and routinely follow up with the superior courts to assist with their effort to make the necessary improvements to their information system controls.	1	January 2018		
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)*	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:  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.	3			
	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:  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.	3			


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
	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.	3	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.	3	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.	3	Will Not Implement		
	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.	3	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.	3	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.	3	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
<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:  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.  Reconcile the prior HAVA expenditures with the year-end financial reports the Office provides to the California State Controller's Office.  Present prior HAVA expenditures by activity and by specific appropriation.	4			
	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.	4	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.	2	June 2018		
The State Bar of California: Its Lack of Transparency Has Undermined Its Communications With Decision Makers and Stakeholders 2015-047 (May 2016)	1. To reduce the length of time that victims of dishonest lawyers must wait for reimbursement from the Client Security Fund, the State Bar should continue to explore fund transfers, member fee increases, and operating efficiencies that would increase resources available for payouts.	1	March 2018		
	2. To ensure that it maximizes its cost-recovery efforts related to the Client Security Fund, the State Bar should adopt a policy to file for money judgments against disciplined attorneys for all eligible amounts as soon as possible after courts settle the discipline cases.	1	February 2017		
	3. To ensure that it maximizes its cost-recovery efforts related to the Client Security Fund, the State Bar should adopt a policy to evaluate annually the effectiveness of the various collection methods it uses to recover funds from disciplined attorneys.	1	End of 2017		
	9. To ensure that it accounts appropriately for information technology project costs and their related funding sources, the State Bar should develop a reasonable method for allocating information technology project costs.	1	February 2018		
	10. To ensure that it accounts appropriately for information technology project costs and their related funding sources, the State Bar should apply its new cost-allocation method to the costs of its Technology Improvement Fund.	1	February 2018		

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
	17. To ensure that it retains appropriate supervision and control over the State Bar's financial affairs, the board should establish a policy that includes a description of the parameters for the creation of nonprofit organizations limiting such organizations to the purposes consistent with the law and the State Bar's mission.	1	March 2018		
	18. To ensure that it retains appropriate supervision and control over the State Bar's financial affairs, the board should establish a policy that includes a description of the board's oversight role in relation to the State Bar's nonprofit organizations.	1	March 2018		
	19. To ensure that it retains appropriate supervision and control over the State Bar's financial affairs, the board should establish a policy that includes requirements to make sure that the board reviews and approves all documents the State Bar uses in the creation and use of a nonprofit organization, including original and amended bylaws as well as agreements between the State Bar and the organization.	1	March 2018		
	20. To ensure that it retains appropriate supervision and control over the State Bar's financial affairs, the board should establish a policy that includes requirements ensuring that the board reviews, approves, and monitors regularly the budgets and other financial reports of any nonprofit organizations.	1	March 2018		
	21. To ensure that it retains appropriate supervision and control over the State Bar's financial affairs, the board should establish a policy that includes requirements that the State Bar develop policies and procedures to prevent the mingling of its funds and any nonprofit organization's funds.	1	March 2018		
<b>State Controller's Office</b>					
 <p>High Risk Update: State Agencies Credited Their Employees With Millions of Dollars Worth of Unearned Leave 2012-603 (August 2014)</p>	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.	3	Summer 2018		



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>NATURAL RESOURCES</b>					
<b>California Natural Resources Agency</b>					
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.	3	†	●	
	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.	3	†		●
 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.	4	Will Not Implement		
<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)*	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.	4	January 2018		
<b>TRANSPORTATION</b>					
<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.	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
<b>Department of Motor Vehicles</b>					
 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.	4	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.	4	†		●

\* 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 I2012-1 were provided to the involved departments and agencies in October 2012. 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 I2014-1 were provided to the involved departments and agencies in November 2014. The investigative reports for the cases published in I2015-1 were provided to the involved departments and agencies in July 2015. The investigative reports for the cases published in I2016-1 were provided to the Department of Developmental Services in November 2015, while reports pertaining to the Department of State Hospitals and Department of Water Resources were provided in December 2015. Lastly, investigative reports for the cases published in I2016-2 were provided to the involved departments and agencies in June 2016.


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

|| In July 2017, the State Board of Equalization was restructured and transferred duties to the California Department of Tax and Fee Administration.




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


\*\* In July 2014, the Judicial Council of California retired the use of Administrative Office of the Courts to refer to the Judicial Council's staff.

**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 2010 Through October 2016)**


REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	STATUS	NUMBER OF YEARS RECOMMENDATIONS HAS APPEARED IN THIS REPORT	
<b>BUSINESS, CONSUMER SERVICES, HOUSING</b>				
<b>Board of Registered Nursing</b>				
	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)	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.	Fully Implemented	2
		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 BreZE 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.	Fully Implemented	2
		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.	Fully Implemented	2
<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.	Fully Implemented	3
<b>CORRECTIONS AND REHABILITATION</b>				
<b>California Department of Corrections and Rehabilitation</b>				
	Investigations of Improper Activities by State Agencies and Employees I2015-1 (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.	Fully Implemented	2
		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.	Fully Implemented	2
<b>ENVIRONMENTAL PROTECTION</b>				
<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.	Fully Implemented	4
<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	4




continued on next page ...

REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	STATUS	NUMBER OF YEARS RECOMMENDATIONS HAS APPEARED IN THIS REPORT
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.	Fully Implemented	2
	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.	Fully Implemented	2
<b>California Public Utilities Commission</b>			
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)*	15. The commission should develop, disseminate, and maintain an incident response plan.	Fully Implemented	2
 K California's Alternative Energy and Efficiency Initiatives: Two Programs Are Meeting Some Goals, but Several Improvements Are Needed 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.	Fully Implemented	2
<b>GOVERNMENT OPERATIONS</b>			
<b>California Department of Human Resources</b>			
 G High Risk Update: State Agencies Credited Their Employees With Millions of Dollars Worth of Unearned Leave 2012-603 (August 2014)*	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.	Fully Implemented	3
<b>California Department of Technology</b>			
 J 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, CalTech should require state departments to follow its IT policies, including developing all necessary plans and receiving all required training.	Fully Implemented	2
	12. To ensure that IT projects have the oversight needed to better position them for success, CalTech should ensure that departments obtain IPO and IV&V services as soon as an IT project is approved. Additionally, CalTech 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.	Fully Implemented	2
	13. To ensure that IT projects have the oversight needed to better position them for success, CalTech should require state departments to appropriately address deficiencies identified in CalTech'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, CalTech 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.	Fully Implemented	2
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 CalTech 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 CalTech's management.	Fully Implemented	2
	2. By December 2015 CalTech 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 CalTech should require that sponsoring agencies perform as remedial actions, and what sanctions CalTech will impose for noncompliance with these remedial actions.	Fully Implemented	2

REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	STATUS	NUMBER OF YEARS RECOMMENDATIONS HAS APPEARED IN THIS REPORT
	3. By December 2015 CalTech 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 CalTech to consider suspending or terminating an IT project.	Fully Implemented	2
	4. To clarify and reinforce its oversight authority with sponsoring agencies, by December 2015 CalTech should develop a method to formally document and communicate its expectations with the sponsoring agencies whose projects are under CalTech's oversight.	Fully Implemented	2
High Risk Update—Information Security: Many State Entities' Information Assets Are Potentially Vulnerable to Attack or Disruption 2015-611 (August 2015)*	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.	Fully Implemented	2
<b>Department of General Services</b>			
 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.	Fully Implemented	5
<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.	Fully Implemented	2
<b>HEALTH AND HUMAN SERVICES</b>			
<b>California Department of Public Health</b>			
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.	Fully Implemented	2
	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.	Fully Implemented	2
<b>California Department of Social Services</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 2015-503 (June 2015)*	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.	Fully Implemented	2
<b>California Department of Developmental Services</b>			
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)*	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.	Fully Implemented	2

REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	STATUS	NUMBER OF YEARS RECOMMENDATIONS HAS APPEARED IN THIS REPORT
<b>Department of Health Care Services</b>			
 Investigations of Improper Activities by State Agencies and Employees: Misuse of State Resources, Forgery, False Time Reporting, Financial Interests Disclosure Violations, and Waste of State Funds I2016-1 (February 2016) <sup>‡</sup>	21. Developmental Services should immediately conduct an audit of the leave accounting system from July 2015 through December 2015 to identify instances in which Porterville charged exempt represented employees working alternative schedules the incorrect number of leave hours for missed days of work.	Resolved	1
	22. Developmental Services should adjust current employees' leave balances in the leave accounting system to correct any leave not properly charged as identified by this report and by the audit it conducts.	Resolved	1
	23. By March 1, 2016, Developmental Services should take steps to work with unit 19 to change Developmental Services' current practice and require exempt represented employees to charge leave in accordance with the number of hours they are regularly scheduled to work.	Fully Implemented	1
	24. Revise its established timekeeping audit procedures to ensure that exempt represented employees correctly charge leave according to the number of hours they are regularly scheduled to work.	Fully Implemented	1
	25. Developmental Services should train its personnel staff at headquarters and all developmental centers regarding the new policy and accompanying procedures.	Fully Implemented	1
California Department of Health Care Services: It Should Improve Its Administration and Oversight of School-Based Medi-Cal Programs 2014-130 (August 2015)*	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.	Fully Implemented	2
	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.	Fully Implemented	2
	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.	Fully Implemented	2
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.	Fully Implemented	3
	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.	Fully Implemented	3
	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.	Fully Implemented	3
California Department of Health Care Services: Weaknesses in Its Medi-Cal Dental Program Limit Children's Access to Dental Care 2013-125 (December 2014)	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.	Resolved	2
	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.	Resolved	2

REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	STATUS	NUMBER OF YEARS RECOMMENDATIONS HAS APPEARED IN THIS REPORT
<b>Department of State Hospitals<sup>‡</sup></b>			
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)*	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.	Fully Implemented	2
<b>Mental Health Services Oversight and Accountability Commission</b>			
 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.	Fully Implemented	4
<b>HIGHER EDUCATION</b>			
<b>University of California</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)*	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.	Fully Implemented	3
The University of California: Its Admissions and Financial Decisions Have Disadvantaged California Resident Students 2015-107 (March 2016)*	20. To increase its transparency and help ensure that it can justify its spending decisions, the university should make publicly available the amounts of state funding it allocates toward per-student funding, as well as the amounts it or campuses spend for programs that are not directly related to educating students. The university should publicly present the ranges of per-student funding based upon the amount of funding excluded from the formula.	Fully Implemented	1
	21. To ensure that its rebenching efforts lead to equalized per-student funding among the campuses, the university should include actual enrollment numbers in its rebenching formula.	Fully Implemented	1
	24. To ensure that its rebenching efforts lead to equalized per-student funding among the campuses, the university should include stakeholders such as students, legislative and executive branch staff, and student groups in future discussions of rebenching to ensure that it considers their viewpoints and to increase transparency regarding its funding decisions.	Fully Implemented	1
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>	Fully Implemented	6

REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	STATUS	NUMBER OF YEARS RECOMMENDATIONS HAS APPEARED IN THIS REPORT
<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)*	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.	Fully Implemented	2
<b>K THRU 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	4
	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	4
	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	4
	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	4
	12. To address past federal findings that are not yet resolved, Education should respond as recommended in Appendix B of this report.	Fully Implemented	4
	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.	Fully Implemented	4
 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	4
 Student Mental Health Services: Some Students' Services Were Affected by a New State Law, and the State Needs to Analyze Student Outcomes and Track Service Costs 2015-112 (January 2016)*	21. To ensure that LEAs provide mental health services as required, Education should, on an annual basis, identify LEAs with accumulated balances of mental health funding and analyze whether the LEA has had a corresponding drop in mental health service levels. For all LEAs that Education determines have both an accumulated balance and a corresponding drop in services, Education should follow up with the LEA to determine whether the LEA is meeting its obligations to provide mental health services to students as part of the special education program.	Resolved	1
<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>	Fully Implemented	2



REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	STATUS	NUMBER OF YEARS RECOMMENDATIONS HAS APPEARED IN THIS REPORT
	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.	Fully Implemented	2
<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)	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.	Fully Implemented	4
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.	Fully Implemented	3
	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.	Fully Implemented	3
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.	Fully Implemented	6
	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.	Fully Implemented	6
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.	Resolved	5



REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	STATUS	NUMBER OF YEARS RECOMMENDATIONS HAS APPEARED IN THIS REPORT
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>	Fully Implemented	2
	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.	Fully Implemented	2

#### LEGISLATIVE, JUDICIAL, AND EXECUTIVE

##### California Department of Justice


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)*	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.	Fully Implemented	4
--	---	-------------------	---

##### California Department of Tax and Fee Administration<sup>5</sup>

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)	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	3
State Board of Equalization: Its Tobacco Tax Enforcement Efforts Are Effective and Properly Funded, but Other Funding Options and Cost Savings Are Possible 2015-119 (February 2016)	5. To reduce the licensing program's enforcement cost without compromising the level of increased compliance with the cigarette and tobacco products tax law that the inspection program has produced, the board should reduce the number of annual inspections and reinspections of retailers, distributors, and wholesalers that it conducts each year to reflect changes in the number of licensees that sell cigarette and tobacco products in California. This adjustment should align with the same frequency of inspections that the board followed when it implemented the inspection program, which is 26 percent—or approximately one inspection every four years—of these licensed locations.	Resolved	1

##### California Governor's Office of Emergency Services<sup>11</sup>

California's Mutual Aid System: The California Emergency Management Agency Should Administer the Reimbursement Process More Effectively 2011-103 (January 2012)*	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.	Resolved	5
	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.	Resolved	5

REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	STATUS	NUMBER OF YEARS RECOMMENDATIONS HAS APPEARED IN THIS REPORT	
<b>Judicial Council of California<sup>#</sup></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)*	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	2	
	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	2	
	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.	Fully Implemented	2	
	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	2	
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.	Fully Implemented	3	
	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	3	
<b>NATURAL RESOURCES</b>				
<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.	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)	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.	Resolved	6	
<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.	Resolved	4	

REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	STATUS	NUMBER OF YEARS RECOMMENDATIONS HAS APPEARED IN THIS REPORT
	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.	Fully Implemented	4
	11. To prevent unauthorized leave buyback transactions, the department should limit access for keying transactions to the payroll system only to authorized personnel staff.	Fully Implemented	4
	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.	Resolved	4


**Department of Water Resources**

Investigations of Improper Activities by State Agencies and Employees: Misuse of State Resources, Forgery, False Time Reporting, Financial Interests Disclosure Violations, and Waste of State Funds  
12016-1 (February 2016)<sup>‡</sup>

11. Water Resources should require the last official who approves an employee's expense claim for job-required and job-related training to forward that claim to the training division, the division of fiscal services, or both, for a separate review of the employee's training forms and supporting documents before Water Resources reimburses the employee.	Fully Implemented	1
---	-------------------	---

**TRANSPORTATION****California Department of Transportation**

California Department of Transportation: Its Maintenance Division's Allocations and Spending for Field Maintenance Do Not Match Key Indicators of Need 2015-120 (March 2016)	2. To better align the maintenance division's allocations with districts' maintenance needs, the Legislature should include language in the Budget Act that requires the maintenance division to develop and implement a budget model for field maintenance by June 30, 2017, that takes into account key indicators of maintenance need, such as traffic volume, climate, service scores, and any other factors the maintenance division deems necessary to ensure that the model adequately considers field maintenance need. Once the model is developed, Caltrans should use it to inform appropriate allocations to the districts.	Fully Implemented	1
	3. Caltrans should revise the language in its future five-year maintenance plans to accurately describe the method it uses to allocate field maintenance funding to its districts.	Fully Implemented	1
	4. To ensure that it performs field maintenance work consistently on highways with similar needs, the maintenance division should assess whether districts are using funds in a manner commensurate with indicators of need included in its new budget model.	Fully Implemented	1
	5. To ensure that it performs field maintenance work consistently on highways with similar needs, the maintenance division should implement the zone-level evaluation of service scores contemplated in the earlier budget model that it abandoned.	Fully Implemented	1
	6. To ensure that it performs field maintenance work consistently on highways with similar needs, the maintenance division should establish zone-specific service score goals for all of the field maintenance activities it deems critical to ensuring a safe and usable state highway system and require districts to meet those goals for all the zones within their borders.	Fully Implemented	1
	7. To ensure that it performs field maintenance work consistently on highways with similar needs, the maintenance division should implement the requirements for strategically planning field maintenance work that it previously included in its maintenance manual or develop similar requirements that it believes are feasible and ensure that supervisors plan and schedule field maintenance work based on service scores. Caltrans should require superintendents and regional managers to approve those plans. Caltrans should also require supervisors and superintendents to monitor progress toward improving service scores.	Fully Implemented	1

REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	STATUS	NUMBER OF YEARS RECOMMENDATIONS HAS APPEARED IN THIS REPORT
 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.	Fully Implemented	5
	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.	Fully Implemented	5
	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	5
<b>Department of Motor Vehicles</b>			
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.	Fully Implemented	2

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

† 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 I2012-1 were provided to the involved departments and agencies in October 2012. 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 I2014-1 were provided to the involved departments and agencies in November 2014. The investigative reports for the cases published in I2015-1 were provided to the involved departments and agencies in July 2015. The investigative reports for the cases published in I2016-1 were provided to the Department of Developmental Services in November 2015, while reports pertaining to the Department of State Hospitals and Department of Water Resources were provided in December 2015. Lastly, investigative reports for the cases published in I2016-2 were provided to the involved departments and agencies in June 2016.

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


§ In July 2017, the State Board of Equalization was restructured and transferred duties to the California Department of Tax and Fee Administration.

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

# In July 2014, the Judicial Council of California retired the use of Administrative Office of the Courts to refer to the Judicial Council's staff.

Blank page inserted for reproduction purposes only.

**Table 4**  
**Recommendations Made to Nonstate Entities That Are More Than One Year Old and Are Still Not Fully Implemented Reports Issued From January 2012 Through October 2016)**

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>NONSTATE ENTITIES</b>					
<b>Butte County</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.	3	†		●
<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.	5	Will Not Implement		
<b>Central Basin Municipal Water District</b>					
Central Basin Municipal Water District: Its Board of Directors Has Failed to Provide the Leadership Necessary for It to Effectively Fulfill Its Responsibilities 2015-102 (December 2015)	23. To ensure it is efficiently using its resources, the district should eliminate its board members' automobile or transportation allowances and instead reimburse them based on their business mileage or transit use.	1	TBD		
<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.	2	2024		
<b>City of Irvine</b>					
City of Irvine: Poor Governance of the \$1.7 Million Review of the Orange County Great Park Needlessly Compromised the Review's Credibility 2015-116 (August 2016)	2. To improve fiscal accountability and to ensure that audits are performed to appropriate standards, Irvine should adopt an internal audit function by December 2017.	1	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	STATE AUDITOR'S ASSESSMENT	
				AUDITEE DID NOT SUBSTANTIATE ITS CLAIM OF FULL IMPLEMENTATION	AUDITEE DID NOT ADDRESS ALL ASPECTS OF THE RECOMMENDATION
	6. To make certain that Irvine complies with the intent of competitive bidding for professional services, beginning immediately it should not include provisions in its RFPs for potential future services that are above and beyond the desired scope of work.	1	Will Not Implement		
	9. To maintain appropriate, transparent fiscal accountability, Irvine should amend city contracting and purchasing policies by December 2016 to make certain that all of its contracts and contract amendments with a proposed cost exceeding the threshold requiring city council or other approval receive the appropriate approvals, including approval for sole-source contracts. Further, city policies should require appropriate approvals when increases in spending authority are accomplished through a purchase order or other means.	1	Will Not Implement		
	10. To provide the public with adequate information regarding the city council's spending decisions, Irvine's city council should, by December 2016, include in its policies a requirement that motions by the council to appropriate revenue to fund a specific contract should name the recipients and proposed use of the funds.	1	Will Not Implement		
	11. To foster public confidence in its processes and findings, Irvine should conduct self-initiated investigations, reviews, or audits in an open and transparent manner that ensures independence. Specifically, Irvine should not establish advisory bodies exempt from open meeting laws to oversee these investigations, reviews, or audits. Instead, any required reports from contractors conducting such investigations, reviews, or audits should go to the city council or a standing committee of the city council to be discussed in either open or closed session, as appropriate.	1	Will Not Implement		

City of Novato



Residential Building Records: The Cities of San Rafael, Novato, and Pasadena Need to Strengthen the Implementation of Their Resale Record Programs 2015-134 (March 2016)

2. To ensure that it is aware of the degree of property owners' compliance with its resale record ordinance, Novato should implement procedures that can help it monitor the sale or exchange of properties that require resale record inspections. The city should work with applicable stakeholders, such as realtors, to aid in this effort.	1	Will Not Implement		
5. To verify that new property owners are aware of the health and safety concerns at their properties and any corrections they need to make, Novato should develop a process to ensure that it receives homeowners' cards.	1	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
	34. To ensure that the resale record fees it charges is appropriate, Novato should establish a time frame to periodically determine whether the fees are commensurate with the cost of administering the resale record program. The city should ensure that it retains any documentation used to support its analyses and any subsequent adjustments to fees.	1	Will Not Implement		



City of Pasadena



Residential Building Records: The Cities of San Rafael, Novato, and Pasadena Need to Strengthen the Implementation of Their Resale Record Programs 2015-134 (March 2016)

3. To ensure that it is aware of the degree of property owners' compliance with its resale record ordinance, Pasadena should implement procedures that can help it monitor the sale or exchange of properties that require resale record inspections. The city should work with applicable stakeholders, such as realtors, to aid in this effort.	1	January 2018		
6. To verify that new property owners are aware of the health and safety concerns at their properties and any corrections they need to make, Pasadena should develop a process to ensure that staff sign the inspection certificates and add them to the city's database.	1	January 2018		
9. To ensure that it can monitor the satisfaction individuals have with the resale record program and that it has a uniform approach for resolving complaints, Pasadena should develop a formal process for tracking the complaints it receives. In addition, Pasadena should develop a formal policy that describes how staff should evaluate complaints, and it should document its activities associated with resolving complaints, such as the resolution and the rationale for the resolution. The city should also establish a designated location in its database to record this information.	1	January 2018		
12. Pasadena should develop formal written procedures for staff to follow up on property owners' correction of violations. These procedures should identify the method in which staff document in the database the violations identified during inspections and their actions to bring the property into compliance. In addition, the procedures should identify where within the database these documents should be kept as well as identify the protocol for ensuring that repeat violations are corrected in a timely manner.	1	January 2018		




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
	16. To ensure that property owners correct violations in a timely manner, Pasadena should develop a work plan by July 2016 to identify and address its enforcement backlog by April 2017, so that the city is up to date with its enforcement actions, such as issuing notice letters and monitoring property owners' actions to resolve violations. Pasadena's work plan should also include updating the completion status of the violations so unresolved violations can be identified and monitored for subsequent correction.	1	January 2018		
	19. To ensure that property owners correct violations in a timely manner, Pasadena should follow through with its enforcement policies, such as issuing notice letters.	1	January 2018		
	22. To ensure that property owners correct violations in a timely manner, Pasadena should establish a written process for staff to monitor and ensure that property owners correct violations, including accurately identifying the properties that have not obtained necessary permits or have not had required reinspections performed.	1	January 2018		
	25. To ensure that it conducts its resale record inspections and completes the reports in a timely manner, Pasadena should establish a process to monitor its ability to meet its established time goals from application date to report issuance, such as developing a reminder report or using an automated feature of its database. Pasadena should also document the date the report is issued on the resale record report and in its database.	1	January 2018		
	27. To ensure that it conducts its resale record inspections and completes the reports in a timely manner, Pasadena should review its time goals by July 2016 for the resale record program and modify them if necessary, factoring in property owners' expectations and staff resources to complete the resale record reports. If applicable, Pasadena should update its policies and procedures to reflect the revised time goals.	1	January 2018		
	30. To ensure that it conducts its resale record inspections and completes the reports in a timely manner, Pasadena should establish a method to identify those inspections that have inspection dates requested by property owners.	1	January 2018		
	32. To ensure that the resale record fees it charges is appropriate, Pasadena should finalize its formal fee study by April 2016.	1	January 2018		




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
	35. To ensure that the resale record fees it charges is appropriate, Pasadena should establish a time frame to periodically determine whether the fees are commensurate with the cost of administering the resale record program. The city should ensure that it retains any documentation used to support its analyses and any subsequent adjustments to fees.	1	January 2018		
	38. To ensure that it can demonstrate that its resale record inspectors are qualified, Pasadena should develop a process to maintain continuing education attendance records. The city should ensure that staff receive periodic continuing education through internal and external sources to keep them current on code requirements, especially when the requirements are updated.	1	January 2018		
	40. If Pasadena subsequently requires its resale record inspectors to have International Code Council certifications, it should ensure that those staff maintain them in good standing to perform their necessary job functions.	1	January 2018		
<b>County of Alameda</b>					
 Dually Involved Youth: The State Cannot Determine the Effectiveness of Efforts to Serve Youth Who Are Involved in Both the Child Welfare and Juvenile Justice Systems 2015-115 (February 2016)	9. Alameda County probation department should update its existing procedures to ensure that its staff are accurately recording family reunification service components within the statewide case management system.	1	December 2017		
	11. To identify their population of dually involved youth, Alameda County's CWS and probation agencies should designate the data system they will use for tracking the dates and results of joint assessment hearings.	1	TBD by CDSS		
	17. To identify their population of dually involved youth, Alameda County's CWS and probation agencies should provide guidance or training to staff on recording joint assessment hearing information consistently within the designated system.	1	TBD by CDSS		
<b>County of Fresno</b>					
 County Pay Practices: Although the Counties We Visited Have Rules in Place to Ensure Fairness, Data Show That a Gender Wage Gap Still Exists 2015-132 (May 2016)	6. To ensure that they consistently demonstrate that candidates are hired for permanent civil service positions based on valid and job-related criteria, regardless of their sex, each county should develop policies requiring hiring managers to document the reasons why they chose the selected candidate over others from the certified eligibility list.	1	December 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>County of Los Angeles</b>					
<p>County Pay Practices: Although the Counties We Visited Have Rules in Place to Ensure Fairness, Data Show That a Gender Wage Gap Still Exists 2015-132 (May 2016)</p>	<p>7. To ensure that they consistently demonstrate that candidates are hired for permanent civil service positions based on valid and job-related criteria, regardless of their sex, each county should develop policies requiring hiring managers to document the reasons why they chose the selected candidate over others from the certified eligibility list.</p>	1	Will Not Implement		
<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>	<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.</p>	3	Will Not Implement		
	<p>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.</p>	3	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
	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.	3	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.	3	Will Not Implement		
	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.	3	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
<b>County of San Diego</b>					
 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.	3	Will Not Implement		
<b>County of Santa Clara</b>					
 Dually Involved Youth: The State Cannot Determine the Effectiveness of Efforts to Serve Youth Who Are Involved in Both the Child Welfare and Juvenile Justice Systems 2015-115 (February 2016)	16. To identify their population of dually involved youth, Santa Clara County's CWS and probation agencies should designate the data system they will use for tracking the dates and results of joint assessment hearings.	1	Will Not Implement		
	22. To identify their population of dually involved youth, Santa Clara County's CWS and probation agencies should provide guidance or training to staff on recording joint assessment hearing information consistently within the designated system.	1	Will Not Implement		
<b>County of Sonoma</b>					
 California's Foster Care System: The State and Counties Have Failed to Adequately Oversee the Prescription of Psychotropic Medications to Children in Foster Care 2015-131 (August 2016)	19. To better ensure that foster children only receive psychotropic medications that are appropriate and medically necessary, counties should ensure that all foster children are scheduled to receive a follow-up appointment within 30 days of starting a new psychotropic medication.	1	April 2018		
	20. To better ensure that foster children only receive psychotropic medications that are appropriate and medically necessary, counties should implement processes to ensure that foster children receive any needed mental health, psychosocial, behavioral health, or substance abuse services before and concurrently with receiving psychotropic medications.	1	May 2018		
	21. To better ensure that foster children only receive psychotropic medications that are appropriate and medically necessary, counties should implement a systemic process for ensuring that court authorizations or parental consents are obtained and documented before foster children receive psychotropic medications and that court authorizations for psychotropic medications are renewed within 180 days as state law requires. The process should also ensure that the counties better document the court authorizations and parental consents in the foster children's case files.	1	May 2018		


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
	23. To improve its oversight of foster children prescribed psychotropic medications, Sonoma County should immediately adopt the state guidelines for its physicians' use when prescribing psychotropic medications and the county's use when reviewing court authorization requests.	1	May 2018		
	24. To improve its oversight of foster children prescribed psychotropic medications, Sonoma County should within six months, implement a process to review psychotropic medications that receive parental consent rather than court authorization.	1	May 2018		
<b>East Side Union High School District</b>					
 Student Mental Health Services: Some Students' Services Were Affected by a New State Law, and the State Needs to Analyze Student Outcomes and Track Service Costs 2015-112 (January 2016)	17. To better understand the effectiveness of the mental health services in its special education program, East Side should use the six performance indicators we identified to perform analysis annually on the subset of students receiving mental health services.	1	June 2018		
<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.	2	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.	2	Will Not Implement		
<b>King City</b>					
King City Police Department: Strengthening Management Practices Would Help Its Efforts to Prevent Officer Misconduct and to Regain the Public's Trust 2015-129 (July 2016)	14. To ensure that it is appropriately maintaining custody of evidence items and complying with POST recommendations, the Department should conduct a comprehensive inventory to develop an accurate list of evidence and property.	1	December 2017		
	18. To ensure that it is appropriately maintaining custody of evidence items and complying with POST recommendations, the Department should perform annual audits that are thorough and well documented.	1	March 2018		

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>Long Beach Unified School District</b>					
 Student Mental Health Services: Some Students' Services Were Affected by a New State Law, and the State Needs to Analyze Student Outcomes and Track Service Costs 2015-112 (January 2016)	4. To better communicate with parents and future IEP teams about reasons for any changes to student services, including changes to mental health services and student placements, Long Beach should develop a process to ensure that IEP teams record these reasons in student IEP documents.	1	†	●	
	10. To ensure that it complies with federal and state requirements, Long Beach should develop a process to ensure that IEP teams record, in student IEP documents, the rationale for residential treatment and any potential harmful effects of such placement.	1	†	●	
	14. To better understand the effectiveness of the mental health services in its special education program, Long Beach should use the six performance indicators we identified to perform analysis annually on the subset of students receiving mental health services.	1	†	●	
<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)	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.	5	January 2017		
<b>Los Angeles Department of Water &amp; 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.	2	2020		



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
	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:	2	2020		
	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.	2	2020		
<b>Los Angeles Police Department</b>					
 <p>The CalGang Criminal Intelligence System: As the Result of Its Weak Oversight Structure, It Contains Questionable Information That May Violate Individuals' Privacy Rights 2015-130 (August 2016)</p>	23. Until the Los Angeles Police Department receives further direction from the board, the committee, or Justice, it should address the specific deficiencies we found by reviewing the gangs it has entered into CalGang to ensure the gangs meet reasonable suspicion requirements. It should also begin reviewing the gang members it has entered into CalGang to ensure the existence of proper support for each criterion. It should purge from CalGang any records for gangs or gang members that do not meet the criteria for entry. Individuals who are independent from the ongoing administration and use of CalGang should lead this review. The agency should complete the gang and gang member reviews in phases, with the final phase for gangs to be completed by June 30, 2018, and the final phase for gang members to be completed by June 30, 2019.	1	June 2019		

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
	24. Until Los Angeles Police Department receives further direction from the board, the committee, or Justice, it should address the specific deficiencies we found by developing or modifying as necessary all its policies and procedures related to CalGang to ensure they align with state law, CalGang policy, the federal regulations, and the state guidelines. In particular, the agency should implement appropriate policies and procedures for entering gangs; performing supervisory reviews of gang and gang member entries; performing periodic CalGang record reviews; sharing CalGang information; and complying with juvenile notification requirements. The agency should complete this recommendation by March 31, 2017.	1	September 2017		
<b>Quartz Hill Water District</b>					
Quartz Hill Water District Antelope Valley Water Rates: Various Factors Contribute to Differences Among Water Utilities 2013-126 (July 2014)*	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.	3	Will Not Implement		
<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.	4	†	●	
<b>Santa Ana Police Department</b>					
 The CalGang Criminal Intelligence System: As the Result of Its Weak Oversight Structure, It Contains Questionable Information That May Violate Individuals' Privacy Rights 2015-130 (August 2016)	25. Until Santa Ana Police Department receives further direction from the board, the committee, or Justice, it should address the specific deficiencies we found by reviewing the gangs it has entered into CalGang to ensure the gangs meet reasonable suspicion requirements. It should also begin reviewing the gang members it has entered into CalGang to ensure the existence of proper support for each criterion. It should purge from CalGang any records for gangs or gang members that do not meet the criteria for entry. Individuals who are independent from the ongoing administration and use of CalGang should lead this review. The agency should complete the gang and gang member reviews in phases, with the final phase for gangs to be completed by June 30, 2018, and the final phase for gang members to be completed by June 30, 2019.	1	August 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>Santa Clara County Sheriff's Office</b>					
 <p>The CalGang Criminal Intelligence System: As the Result of Its Weak Oversight Structure, It Contains Questionable Information That May Violate Individuals' Privacy Rights 2015-130 (August 2016)</p>	27. Until Santa Clara County Sheriff's Office receives further direction from the board, the committee, or Justice, it should address the specific deficiencies we found by reviewing the gangs it has entered into CalGang to ensure the gangs meet reasonable suspicion requirements. It should also begin reviewing the gang members it has entered into CalGang to ensure the existence of proper support for each criterion. It should purge from CalGang any records for gangs or gang members that do not meet the criteria for entry. Individuals who are independent from the ongoing administration and use of CalGang should lead this review. The agency should complete the gang and gang member reviews in phases, with the final phase for gangs to be completed by June 30, 2018, and the final phase for gang members to be completed by June 30, 2019.	1	Spring 2018		
	28. Until Santa Clara County Sheriff's Office receives further direction from the board, the committee, or Justice, it should address the specific deficiencies we found by developing or modifying as necessary all its policies and procedures related to CalGang to ensure they align with state law, CalGang policy, the federal regulations, and the state guidelines. In particular, the agency should implement appropriate policies and procedures for entering gangs; performing supervisory reviews of gang and gang member entries; performing periodic CalGang record reviews; sharing CalGang information; and complying with juvenile notification requirements. The agency should complete this recommendation by March 31, 2017.	1	December 2017		
<b>Victorville Water District</b>					
<p>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)</p>	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.	2	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.	2	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
	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.	2	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.	2	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.

**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 2012 Through October 2016)**

REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	STATUS	NUMBER OF YEARS RECOMMENDATION HAS APPEARED IN THIS REPORT
<b>NONSTATE ENTITIES</b>			
<b>City of San Rafael</b>			
 Residential Building Records: The Cities of San Rafael, Novato, and Pasadena Need to Strengthen the Implementation of Their Resale Record Programs 2015-134 (March 2016)	14. To ensure that property owners correct violations in a timely manner, San Rafael should develop a work plan by July 2016 to identify and address its enforcement backlog by April 2017, so that the city is up to date with its enforcement actions, such as issuing notice letters and monitoring property owners’ actions to resolve violations. San Rafael’s work plan should also include updating the completion status of the violations so unresolved violations can be identified and monitored for subsequent correction.	Fully Implemented	1
	17. To ensure that property owners correct violations in a timely manner, San Rafael should follow through with its enforcement policies, such as issuing notice letters.	Fully Implemented	1
	23. To ensure that it conducts its resale record inspections and completes the reports in a timely manner, San Rafael should establish a process to monitor its ability to meet its established time goals from application date to report issuance, such as developing a reminder report or using an automated feature of its database.	Fully Implemented	1
	26. To ensure that it conducts its resale record inspections and completes the reports in a timely manner, San Rafael should review its time goals by July 2016 for the resale record program and modify them if necessary, factoring in property owners’ expectations and staff resources to complete the resale record reports. If applicable, San Rafael should update its policies and procedures to reflect the revised time goals.	Fully Implemented	1
<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).	Fully Implemented	5
<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.	Fully Implemented	3
<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.	Fully Implemented	5
	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.	Resolved	5
<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.	Fully Implemented	3

continued on next page...

REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	STATUS	NUMBER OF YEARS RECOMMENDATION HAS APPEARED IN THIS REPORT
<b>Riverside County Special Education Local Plan Area</b>			
 Student Mental Health Services: Some Students' Services Were Affected by a New State Law, and the State Needs to Analyze Student Outcomes and Track Service Costs 2015-112 (January 2016)	6. To better communicate with parents and future IEP teams about reasons for any changes to student services, including changes to mental health services and student placements, Riverside should develop a process to ensure that IEP teams record these reasons in student IEP documents.	Fully Implemented	1
<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.	Fully Implemented	2
	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.	Fully Implemented	2
	3. The district should strengthen its financial and administrative policies to make it clear who is responsible for reviewing and approving monthly bank reconciliations.	Fully Implemented	2
	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.	Fully Implemented	2
	7. The district should strengthen its financial and administrative policies to establish an appropriate system for tracking and valuing inventory.	Fully Implemented	2
	8. The district should strengthen its financial and administrative policies to require employees to obtain their supervisor's approval before working paid overtime.	Fully Implemented	2
	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.	Fully Implemented	2
	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.	Fully Implemented	2
	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.	Fully Implemented	2
	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.	Fully Implemented	2

REPORT TITLE, NUMBER, AND ISSUE DATE	RECOMMENDATION	STATUS	NUMBER OF YEARS RECOMMENDATION HAS APPEARED IN THIS REPORT
 <p><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)*</p>	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	4

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