

APPENDIX A

Summary of Recommendations for Legislative Consideration by Policy Area

Table A presents a summary of the recommendations the Bureau of State Audits made during the 2005–06 legislative session for the Legislature to consider or for the auditee to seek legislative changes. Reports describing these recommendations are also identified in this table. For the background and issues relating to these recommendations, refer to the page numbers listed next to each recommendation.

TABLE A

Recommendations Directed to the Legislature

Policy Area/Report Number and Title	Page(s)	Recommendation
Appropriations		
2005-136, Military Department: <i>It Has Had Problems With Inadequate Personnel Management and Improper Organizational Structure and Has Not Met Recruiting and Facility Maintenance Requirements</i>	18-20	The California Military Department should go through the legislative process in order to be able to provide incentives that will encourage citizens to join the California National Guard, and it should work with the Department of Finance and the Legislature to establish a baseline budget for maintaining and repairing California’s armories.
Business and Professions		
2005-118, Emergency Preparedness: <i>California’s Administration of Federal Grants for Homeland Security and Bioterrorism Preparedness Is Hampered by Inefficiencies and Ambiguity</i>	39	With the governor, streamline the State’s emergency preparedness structure, and include in this process consideration of establishing one state entity to be responsible for emergency preparedness, including preparedness for emergencies caused by terrorist acts. Additionally, statutorily establish Homeland Security in law as either a stand-alone entity or a division within Emergency Services, and if creating Homeland Security as a stand-alone entity, statutorily define the relationship between Homeland Security and Emergency Services. Note: AB 38 (introduced 12/4/06) partially addresses the above recommendation by establishing the Office of Homeland Security as a division within the Office of Emergency Services
2005-108, Department of Industrial Relations: <i>Its Division of Apprenticeship Standards Inadequately Oversees Apprenticeship Programs</i>	42	To effectively implement program audits, we recommended the Department of Industrial Relations’ Division of Apprenticeship Standards request that the Legislature amend auditing requirements to allow it to select programs for audit using a risk-based approach.

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2005-136, Military Department: <i>It Has Had Problems With Inadequate Personnel Management and Improper Organizational Structure and Has Not Met Recruiting and Facility Maintenance Requirements</i>	18-20	The California Military Department should go through the legislative process in order to be able to provide incentives that will encourage citizens to join the California National Guard, and it should work with the Department of Finance and the Legislature to establish a baseline budget for maintaining and repairing California's armories.
2005-129, Department of Social Services: <i>In Rebuilding Its Child Care Program Oversight, the Department Needs to Improve Its Monitoring Efforts and Enforcement Actions</i>	55	The Department of Social Services should consider proposing statutes or regulations requiring it to assess additional civil penalties on child care homes for health and safety violations to improve enforcement actions.
2005-120, California Student Aid Commission: <i>Changes in the Federal Family Education Loan Program, Questionable Decisions, and Inadequate Oversight Raise Doubts About the Financial Stability of the Student Loan Program</i>	60-62	Closely monitor the California Student Aid Commission (Student Aid) and EDFUND to ensure that they are able to remain competitive with other Federal Family Education Loan Program (FFEL program) guaranty agencies; the Operating Fund to ensure that the FFEL program is generating a sufficient operating surplus so that it can supplement funding for Student Aid's other services and programs; and Student Aid's progress toward completing critical tasks, including the renegotiation of its voluntary flexible agreement with the U.S. Department of Education and the development of a business diversification plan. Additionally, we recommended that if EDFUND is unable to generate a sufficient operating surplus, the Legislature should require Student Aid to dissolve EDFUND and contract with another guaranty agency to administer the FFEL program or should reconsider the need for a state-designated guaranty agency.
2004-134, State Athletic Commission: <i>The Current Boxers' Pension Plan Benefits Only a Few and Is Poorly Administered</i>	103	Reconsider the need for a retired boxers' pension plan or decrease vesting requirements.
2004-033, Pharmaceuticals: <i>State Departments That Purchase Prescription Drugs Can Further Refine Their Cost Savings Strategies</i>	118	Enact legislation to allow the California Public Employees' Retirement System to obtain relevant documentation to ensure it is receiving all rebates to which it is entitled to lower the prescription drug cost of the health benefits program established by the Public Employees' Medical and Hospital Care Act.
2004-138, Department of Parks and Recreation: <i>It Needs to Improve Its Monitoring of Local Grants and Better Justify Its Administrative Charges</i>	128	Specifically define what is to be accomplished with any General Fund grants appropriated in the future to ensure grant funds are spent as intended.
2004-115, The State's Offshore Contracting: <i>Uncertainty Exists About Its Prevalence and Effects</i>	139	Grant the Department of General Services the ability to require state contractors to disclose information detailing portions of the project that subcontractors or employees outside the United States will perform. Note: AB 524 (2005) addressing this recommendation was vetoed on September 29, 2005.

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Education		
2005-133, Department of Education: <i>Its Mathematics and Reading Professional Development Program Has Trained Fewer Teachers Than Originally Expected</i>	144-145	Redefine the expectations for the Mathematics and Reading Professional Development Program (program) and require the Department of Education (department) to provide meaningful data against which to evaluate program success. Additionally, the department should seek legislation authorizing it to make program payments to school districts without Board of Education approval.
2005-137, California Public Schools: <i>Compliance With Translation Requirements Is High for Spanish but Significantly Lower for Some Other Languages</i>	150	The Department of Education should seek legislation to amend the law to allow parents to waive the requirement that they receive materials from their child's public school translated into their primary language.
2005-104, Department of Education: <i>Its Flawed Administration of the California Indian Education Center Program Prevents It From Effectively Evaluating, Funding, and Monitoring the Program</i>	160	Require the Department of Education to submit annual or biannual reports on the California Indian Education Center program (program) that monitor the progress of the program and supplement a report submitted on this topic in late 2005. Note: Although SB 1710 (2006) increased the department's statutorily defined oversight duties and mechanisms, it did not directly address the above recommendation.
2004-125, Department of Health Services: <i>Participation in the School-Based Medi-Cal Administrative Activities Program Has Increased, but School Districts Are Still Losing Millions Each Year in Federal Reimbursements</i>	168-169	The Department of Health Services (Health Services) should seek changes in the law to eliminate the use of local governmental agencies in the school-based Medi-Cal Administrative Activities Program and to authorize Health Services to require that school districts that choose to use a vendor for program assistance use one that is selected by a consortium through a competitive process. Note: SB 496 (2005)—introduced but not passed—did not directly address these recommendations but would have created a committee to advise the department with respect to the above claims process.
2004-120, Department of Education: <i>School Districts' Inconsistent Identification and Redesignation of English Learners Cause Funding Variances and Make Comparisons of Performance Outcomes Difficult</i>	172	The Department of Education should work in conjunction with relevant parties to establish required designation and redesignation criteria for English learners, seeking legislation as necessary.
Governmental Organization		
2005-118, Emergency Preparedness: <i>California's Administration of Federal Grants for Homeland Security and Bioterrorism Preparedness Is Hampered by Inefficiencies and Ambiguity</i>	39	With the governor, streamline the State's emergency preparedness structure, and include in this process consideration of establishing one state entity to be responsible for emergency preparedness, including preparedness for emergencies caused by terrorist acts. Additionally, statutorily establish Homeland Security in law as either a stand-alone entity or a division within Emergency Services, and if creating Homeland Security as a stand-alone entity, statutorily define the relationship between Homeland Security and Emergency Services. Note: AB 38 (introduced 12/4/06) partially addresses the above recommendation by establishing the Office of Homeland Security as a division within the Office of Emergency Services.

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2004-126, Off-Highway Motor Vehicle Recreation Program: <i>The Lack of a Shared Vision and Questionable Use of Program Funds Limit Its Effectiveness</i>	192-194	Require the Off-Highway Motor Vehicle Recreation Commission (commission) to report annually on its grants and cooperative agreements program awards, clarify its intent for land on which Conservation and Enforcement Services Account restoration funds are spent, and clarify the allowable uses of the Off-Highway Motor Vehicle Trust Fund. Additionally, the Off-Highway Motor Vehicle Recreation Division and commission should evaluate current spending and, if necessary, seek legislation to adjust such restrictions to support a balanced Off-Highway Motor Vehicle Recreation Program.

Health and Human Services

2005-118, Emergency Preparedness: <i>California's Administration of Federal Grants for Homeland Security and Bioterrorism Preparedness Is Hampered by Inefficiencies and Ambiguity</i>	39	<p>With the governor, streamline the State's emergency preparedness structure, and include in this process consideration of establishing one state entity to be responsible for emergency preparedness, including preparedness for emergencies caused by terrorist acts. Additionally, statutorily establish Homeland Security in law as either a stand-alone entity or a division within Emergency Services, and if creating Homeland Security as a stand-alone entity, statutorily define the relationship between Homeland Security and Emergency Services. With the governor, streamline the State's structure for emergency response and define this structure in statute.</p> <p>Note: AB 38 (introduced 12/4/06) partially addresses the above recommendation by establishing the Office of Homeland Security as a division within the Office of Emergency Services</p>
2005-129, Department of Social Services: <i>In Rebuilding Its Child Care Program Oversight, the Department Needs to Improve Its Monitoring Efforts and Enforcement Actions</i>	55	The Department of Social Services should consider proposing statutes or regulations requiring it to assess additional civil penalties on child care homes for health and safety violations to improve enforcement actions.
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2004-033, Pharmaceuticals: <i>State Departments That Purchase Prescription Drugs Can Further Refine Their Cost Savings Strategies</i>	118	Enact legislation to allow the California Public Employees' Retirement System to obtain relevant documentation to ensure it is receiving all rebates to which it is entitled to lower the prescription drug cost of the health benefits program established by the Public Employees' Medical and Hospital Care Act.
Judiciary		
2005-130, Batterer Intervention Programs: <i>County Probation Departments Could Improve Their Compliance With State Law, but Progress in Batterer Accountability Also Depends on the Courts</i>	206-207	Consider revising attendance provisions and the 18-month completion requirement on batterer intervention programs to be better aligned with what local probation departments and courts indicate is a reasonable standard. Additionally, if it is the Legislature's intent that individuals who commit domestic violence be consistently sentenced to 52 weeks of batterer intervention, enact statutory provisions that would not allow the courts to delay sentencing so that batterers complete a lesser number of program sessions.
Labor, Employment, and Industrial Relations		
2005-108, Department of Industrial Relations: <i>Its Division of Apprenticeship Standards Inadequately Oversees Apprenticeship Programs</i>	42	To effectively implement program audits, we recommended the Department of Industrial Relations' Division of Apprenticeship Standards (division) request that the Legislature amend auditing requirements to allow it to select programs for audit using a risk-based approach.
Local Government		
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Natural Resources, Parks, Wildlife		
2004-126, Off-Highway Motor Vehicle Recreation Program: <i>The Lack of a Shared Vision and Questionable Use of Program Funds Limit Its Effectiveness</i>	192-194	Require the Off-Highway Motor Vehicle Recreation Commission (commission) to report annually on its grants and cooperative agreements program awards, clarify its intent for land on which Conservation and Enforcement Services Account restoration funds are spent, and clarify the allowable uses of the Off-Highway Motor Vehicle Trust Fund. Additionally, the Off-Highway Motor Vehicle Recreation Division and commission should evaluate current spending and, if necessary, seek legislation to adjust such restrictions to support a balanced Off-Highway Motor Vehicle Recreation Program.

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Public Employment, Retirement, and Social Security		
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<p>2004-123, California Public Employees' Retirement System: <i>It Relied Heavily on Blue Shield of California's Exclusive Provider Network Analysis, an Analysis That Is Reasonable in Approach but Includes Some Questionable Elements and Possibly Overstates Estimated Savings</i></p>	260	<p>Enact legislation to allow the California Public Employees' Retirement System, during its contract negotiation process, to obtain relevant documentation supporting any analyses it will use to make decisions that materially affect the members of the health benefits program established by the Public Employees' Medical and Hospital Care Act.</p>

