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Recommendation Status Summary

Assembly Budget Subcommittee 4 on State Administration		
Report Number 2012-104		
<i>Southeastern Los Angeles County: Various Reasons Affect the Rates Water Suppliers Charge and the Rate Increases They Have Imposed (January 2013)</i>		
RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
1. To ensure that it can meet the burden of proof that its water fees comply with Article XIII D of the California Constitution, Downey should be able to provide, upon request, documentation that all transfers out of the Water Fund are for water-related purposes. Such documentation should be sufficiently detailed and understandable to the layperson.	Fully Implemented	Downey Department of Public Works
2. If it believes that the mechanisms available to consumers in southeastern Los Angeles County to protect against unreasonable rates or rate increases are not sufficient, the Legislature should consider enacting additional consumer protection mechanisms. Mechanisms to consider include ratepayer advocacy positions similar to those used by the CPUC and LADWP.	Unknown	Legislature
Report Number 2012-121.1		
<i>Department of Parks and Recreation: Weak Procedures Have Led to Inconsistent Budgetary Reporting and Difficulties in Measuring the Impact of Efforts to Keep Parks Open (February 2013)</i>		
RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
3. To ensure transparency and accurate reporting, in those instances when Finance believes it is necessary to adjust amounts that departments have reported for presentation in the governor's budget, causing them to be different from the amounts reported to the State Controller, Finance should develop a policy and procedures to fully disclose the need for the adjustments it makes, including a reconciliation to the amounts reported by the State Controller.	Fully Implemented	Department of Finance
6. Finance should establish a documented process for ensuring that its staff demonstrate that they have verified that departments completed budget documents correctly. For example, Finance could establish a checklist that its staff complete to communicate that they followed specified procedures to ensure the accuracy of amounts reported by departments.	Fully Implemented	Department of Finance
Report Number 2012-117		
<i>State Athletic Commission: Its Ongoing Administrative Struggles Call Its Future Into Question (March 2013)</i>		
RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
1. To increase transparency and to ensure that commissioners provide a sufficient level of oversight over the commission's operations and budget process, the executive officer should work with the commissioners to establish written policies and procedures that delineate the executive officer's responsibilities related to communicating with the commissioners.	Fully Implemented	California State Athletic Commission

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
<p>2. To ensure its future financial stability, the commission should work with Consumer Affairs to establish a long-term financial plan that contains the following:</p> <ul style="list-style-type: none"> • A reasonable annual budget with an accurate forecast of planned expenditures. The commission should determine this budget based in part on its ability or inability to meet the expenditure limitations stipulated in the solvency plan. • The number of inspectors necessary to regulate each type of event. In establishing this number, the commission should take into account the varying size and complexity of the events. It should also determine the cost for each inspector to regulate an event. • An estimate of its costs to regulate different types of events. To arrive at a reasonable estimate, the commission will need to track at least six months of actual expenditures. • The number of staff necessary to perform all of the commission's necessary functions. The commission will need to conduct a workload analysis as soon as possible to determine how many staff it requires and adjust its planned expenditures accordingly. • Funds for athletic inspectors' training that are sufficient to meet the requirement that inspectors receive training within six months of an event that they are scheduled to work. • Strategies to increase revenue. The commission may need to conduct analyses to determine whether the opportunities it is currently considering are legally permissible and fiscally prudent. If so, the commission should take steps to implement those strategies, including seeking any necessary legislative changes. 	Not Fully Implemented	California State Athletic Commission
<p>3. The commission should establish a formal policy to ensure that it assigns inspectors to events based primarily on their proximity to the events.</p>	Fully Implemented	California State Athletic Commission
<p>4. To ensure that it adequately tracks critical information related to its basic functions and mission, the commission should develop and implement procedures and written guidelines to ensure that it consistently tracks information related to all events and their associated revenues and expenditures. These guidelines should also ensure that it tracks the inspectors it assigns to events and the athletes it licenses.</p>	Fully Implemented	California State Athletic Commission
<p>5. To ensure that it adequately tracks critical information related to its basic functions and mission, the commission should, once it has developed a reliable listing of the events it regulates, conduct an analysis to determine the manner in which events affect its financial condition. For example, the commission could compile the expenditures related to each event, including inspectors' wages and travel, and compare its expenditures to the revenue it received. Although the commission may need to regulate small events to ensure that it meets its responsibilities, it should still consider the cost of doing so in order to ensure that it stays within its spending authority.</p>	Fully Implemented	California State Athletic Commission
<p>6. To ensure that it adequately tracks critical information related to its basic functions and mission, the commission should ensure that its system for tracking the number of events, the inspectors it assigns to events, and its revenues and expenditures is compatible with the online program Consumer Affairs is developing so that it may easily import this information into the new program when it is complete.</p>	Fully Implemented	California State Athletic Commission
<p>7. To ensure that it adequately tracks critical information related to its basic functions and mission, the commission should work with Consumer Affairs to ensure that the new online program will meet its needs and requirements. Once the program is in place, the commission should use it as its central means for tracking its operations.</p>	Pending	California State Athletic Commission
<p>8. To ensure that it accurately collects revenue, the commission should formalize policies and procedures directing inspectors to take the necessary steps to make sure they correctly and consistently calculate taxes, assessments, and fees in accordance with state law and regulations.</p>	Not Fully Implemented	California State Athletic Commission
<p>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.</p>	Will Not Implement	California State Athletic Commission

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
10. To ensure that it accurately collects revenue, the commission should seek legislation, with the assistance of Consumer Affairs, that requires promoters to submit their broadcast contracts and authorizes the commission to impose penalties on those promoters who refuse to submit these contracts. Once the commission has received a sufficient number of broadcast contracts, it needs to conduct an analysis to determine whether the maximum fee of \$25,000 on broadcast contracts is appropriate in light of the amounts of the contracts or whether the fee structure should be increased through a change in state law.	Resolved	California State Athletic Commission
11. To ensure that it accurately collects revenue, the commission should continue its efforts to ensure that promoters, inspectors, and staff are aware of their responsibilities related to the accurate reporting of box office information and the submission of key documents that substantiate the reported information.	Fully Implemented	California State Athletic Commission
12. To ensure that it accurately collects revenue, the commission should take steps to ensure that promoters adhere to its new process of certifying in writing that the information they provide is complete and accurate.	Fully Implemented	California State Athletic Commission
13. To ensure that it accurately collects revenue, the commission should adhere to its regulations by establishing a process for approving ticket printers and maintain a list of those it has approved.	Fully Implemented	California State Athletic Commission
14. To correct the deficiencies in its processing of revenue, the commission should continue to ensure the appropriate separation of duties. In addition, the commission should continue to require staff to track revenues received from events and reconcile those amounts to the events' box office reports.	Fully Implemented	California State Athletic Commission
15. To ensure that designated employees and officers disclose potential conflicts of interest on their statements of economic interests as the law requires, the commission should notify Consumer Affairs' filing officer promptly when these employees or officers assume or leave office.	Fully Implemented	California State Athletic Commission
16. To ensure that all designated parties complete statements of economic interests as the law requires, Consumer Affairs should improve its policies and procedures to ensure that it identifies any incomplete statements and promptly notifies the Fair Political Practices Commission when necessary.	Not Fully Implemented	Department of Consumer Affairs
17. To ensure that it maintains adequate documentation to demonstrate that it has regulated events in accordance with state law, the commission needs to update its policies and procedures to ensure that inspectors prepare and submit key documents after events.	Fully Implemented	California State Athletic Commission
18. To ensure that inspectors receive training as state law requires, the commission should conduct trainings every six months, or within six months of an event at which inspectors are scheduled to work.	Fully Implemented	California State Athletic Commission
19. To ensure that inspectors receive training as state law requires, the commission should formalize a process to track inspectors' training status.	Fully Implemented	California State Athletic Commission
20. To ensure that inspectors receive training as state law requires, the commission should continue to evaluate more cost-effective ways of providing training.	Fully Implemented	California State Athletic Commission
21. To ensure that it uses the neurological account as the Legislature intended, the commission needs to conduct a thorough analysis that identifies the average cost of neurological examinations and the number of athletes whom it licenses. If, after performing such an analysis, the commission determines that it cannot comply with the law as it is currently written, it needs to work with Consumer Affairs' legal counsel and the Legislature to determine a reasonable alternative use of the neurological account.	Fully Implemented	California State Athletic Commission
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.	Not Fully Implemented	California State Athletic Commission
23. To operate the pension plan effectively and maximize boxers' benefits, the commission should create policies and procedures for its administration to ensure that it continues to take action to locate eligible boxers, such as issuing periodic press releases.	Fully Implemented	California State Athletic Commission
24. To operate the pension plan effectively and maximize boxers' benefits, the commission should create policies and procedures for its administration to ensure that it establishes a formal process that will enable it to better track boxers' mailing addresses.	Fully Implemented	California State Athletic Commission

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
25. To operate the pension plan effectively and maximize boxers' benefits, the commission should create policies and procedures for its administration to ensure that it transfers funds on a regular basis from the pension fund's state account into its investment account.	No Action Taken	California State Athletic Commission
26. To comply with state law governing the pension plan, the commission needs to limit its expenditures for administering the pension plan to 20 percent of the average of the prior two years' contributions to the plan.	Fully Implemented	California State Athletic Commission
27. To comply with state law governing the pension plan, the commission needs to discontinue paying the pension plan's administrative costs from its athletic commission fund. It should ensure that it pays those costs only from the pension fund.	Fully Implemented	California State Athletic Commission
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.	Not Fully Implemented	California State Athletic Commission
29. To ensure that it promptly addresses this report's findings, the commission should work with Consumer Affairs to develop an action plan to prioritize and resolve its most significant deficiencies within a specified time frame. At the very least, the commission should commit to the following within one year: <ul style="list-style-type: none"> Establishing policies and procedures that clearly delineate the roles and responsibilities of the commissioners, the executive officer, and commission staff in the commission's administrative processes, such as developing and approving its budget. Developing a long-term financial plan based on its actual event revenues and expenditures that includes practical cost-cutting and revenue-enhancing strategies. Setting up systems to track key information, including revenues, expenditures, events, inspectors, and licensees. Formalizing administrative policies, procedures, and controls that relate to revenue collection, revenue processing, and separation of duties. 	Fully Implemented	California State Athletic Commission
30. If the commission fails to implement its plan by the time frame specified, the Legislature should consider transferring the commission's responsibilities to Consumer Affairs.	Partially Implemented	Legislature

Report Number 2012-109

City of San Diego: Although It Generally Followed Requirements for Reviewing Permits, It Could Do More to Protect Historical Resources and to Notify the Public Properly About Its Actions (April 2013)

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
1. To ensure that it properly identifies potential historical resources for the structures on project sites and conducts reviews in accordance with the municipal code, Development Services should require applicants to submit documentation, such as the county's property records when available, with their applications or it should obtain the information directly from the county so that it can determine whether the project requires a historical resource review.	Fully Implemented	City of San Diego Mayor's Office
2. To comply with the municipal code requirements for construction permits such as building permits, Development Services should align Information Bulletin 118, issued in June 2011, which describes its process for construction changes to approved plans, with the municipal code requirements for issuing permits and conducting historical resource reviews.	Fully Implemented	City of San Diego Mayor's Office
3. To provide the public proper notice of San Diego's decision that a project is exempt from CEQA, Development Services should ensure that the exemption notice includes the information outlined in the CEQA guidelines.	Fully Implemented	City of San Diego Mayor's Office
4. To provide the public proper notice of San Diego's decision that a project is exempt from CEQA, Development Services should submit exemption notices to the county within five business days after the date all rights to appeal its decision have elapsed, in accordance with its procedures.	Fully Implemented	City of San Diego Mayor's Office
5. To provide the public proper notice of San Diego's decision that a project is exempt from CEQA, Development Services should retain documentation demonstrating that it posts the appeal notices in accordance with the municipal code.	Fully Implemented	City of San Diego Mayor's Office

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
6. To provide the public proper notice of San Diego's environmental determinations within five days of the final approval of a project in accordance with the CEQA guidelines, Development Services should develop procedures to ensure that its staff file the determination notices in a timely manner. For example, to avoid delays, Development Services should require its staff to collect and submit to the county the filing fee for each determination notice within five business days of the final approval of a project.	Fully Implemented	City of San Diego Mayor's Office
7. To provide the public proper notice of San Diego's environmental determinations in accordance with its municipal code, Development Services should seek an amendment to the municipal code to clarify its belief that environmental determinations made by a hearing officer are not subject to the appeal notice requirement. In the interim, Development Services should post appeal notices for projects subject to permit review Process Three.	Fully Implemented	City of San Diego Mayor's Office
8. To ensure that its designated employees disclose their financial interests in a timely manner, Development Services should ensure that its filing liaisons and payroll staff develop and implement procedures for notifying the filing liaisons when designated employees assume or leave their positions.	Fully Implemented	City of San Diego Mayor's Office
9. To ensure that its designated employees disclose their financial interests in a timely manner, Development Services should ensure that the filing liaisons promptly notify the city clerk when designated employees assume or leave their positions.	Fully Implemented	City of San Diego Mayor's Office
10. To ensure that San Diego's unclassified employees attend ethics training as required by the city council, the commission should either follow the city council's policy or seek a change to align the policy with its current practice.	Fully Implemented	City of San Diego Ethics Commission

Report Number 2012-110

Special Interest License Plate Funds: The State Has Foregone Certain Revenues Related to Special Interest License Plates and Some Expenditures Were Unallowable or Unsupported (April 2013)

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
6. To the extent that it continues to expend money from the antiterrorism fund through contracts, Cal EMA should properly monitor its contracts to ensure compliance with their terms.	Fully Implemented	California Emergency Management Agency†
7. To the extent that it continues to expend money from the antiterrorism funds through contracts, Cal EMA should ensure that the expenses contractors claim comply with the contracts' terms, including the allowability of the expenses. For example, it should obtain adequate support for invoices contractors submit before issuing payment to ensure that the contractor has performed the work as expected and that the amount claimed is sufficiently supported.	Fully Implemented	California Emergency Management Agency†
9. To make certain that money from the special plate funds pay only for allowable and supportable activities, Cal EMA should monitor the administrative expenses it charges to the antiterrorism fund and work with Finance to ensure that these expenses, coupled with additional administrative costs Finance charges, do not exceed 5 percent of the money from the antiterrorism fund appropriated to it during each fiscal year.	Resolved	California Emergency Management Agency†
10. To make certain that money from the special plate funds pay only for allowable and supportable activities, Cal EMA should ensure that it only allows grantees to claim expenses for activities directly related to fighting terrorism and not for ancillary services.	Resolved	California Emergency Management Agency†
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.	Not Fully Implemented	California Emergency Management Agency†
17. To demonstrate that all participants in the scholarship program are eligible to participate, Victim Compensation should establish and document the eligibility of the three participants for whom it currently lacks such documentation.	Resolved	Victim Compensation and Government Claims Board

Report Number 2012-119

California Department of Veterans Affairs: It Has Initiated Plans to Serve Veterans Better and More Cost-Efficiently, but Further Improvements Are Needed (May 2013)

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
1. 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 continue to implement standardized policies and procedures throughout the veterans homes to increase revenue, including its policies and procedures for identifying and enrolling eligible members into federal, state, and private insurance programs, such as the Medicare and Medi-Cal programs.	Fully Implemented	Department of Veterans Affairs
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.	Not Fully Implemented	Department of Veterans Affairs
3. To better ensure that the veterans homes are providing quality care as cost-efficiently as possible, CalVet should continue monitoring the nurse-to-member ratios in the homes and work with the homes as necessary to help them meet the targeted ratios.	Fully Implemented	Department of Veterans Affairs
4. CalVet should provide similar oversight to the veterans homes in implementing the standardized staffing model, once it is finalized.	Fully Implemented	Department of Veterans Affairs
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.	Not Fully Implemented	Department of Veterans Affairs
6. To better utilize unused space at the veterans homes, and to serve more veterans within legal restrictions, CalVet should develop and implement procedures for periodically evaluating all of the veterans homes to identify opportunities to enhance use of unused space and increase revenue generation, including documenting the results of its evaluations.	Fully Implemented	Department of Veterans Affairs
7. To better utilize unused space at the veterans homes, and to serve more veterans within legal restrictions, CalVet should develop a formal process for identifying, securing, and evaluating public-private partnership agreements with other entities that could provide services to more veterans than it currently serves, and update its tracking matrix to include the dates when such efforts were initiated or the date of the most recent status of those efforts.	Fully Implemented	Department of Veterans Affairs
8. To better utilize unused space at the veterans homes, and to serve more veterans within legal restrictions, CalVet should identify measures to facilitate monitoring the success of its public-private partnership agreement with the Pathway Home at the Yountville veterans home, as well as its agreements with New Directions and Salvation Army Haven at the West Los Angeles veterans home.	Fully Implemented	Department of Veterans Affairs
9. To better utilize unused space at the veterans homes, and to serve more veterans within legal restrictions, CalVet should, as part of its 2013 renegotiations with Pathway Home, document its review and evaluation of any legal restrictions that may limit this agreement.	Fully Implemented	Department of Veterans Affairs
10. To better utilize unused space at the veterans homes, and to serve more veterans within legal restrictions, CalVet should, for any future public-private partnership agreements, specify measures in the agreements that will allow it to monitor and assess the success of the agreements, and it should document its review and evaluation of any legal restrictions that may limit its authority to enter into the agreements.	Fully Implemented	Department of Veterans Affairs
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.	Not Fully Implemented	Department of Veterans Affairs
12. To better reach a larger number of veterans who might not otherwise learn about and take advantage of benefits and services to which they are entitled, CalVet should continue to use technology, including implementing CalVet Connect.	Fully Implemented	Department of Veterans Affairs
13. To ensure that it is providing the highest quality of services to veterans, CalVet should implement oversight and guidance policies to ensure that its veterans homes are providing adequate and appropriate referral options to veterans who have been placed on the waiting list or denied admission into a home.	Fully Implemented	Department of Veterans Affairs

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
14. To ensure that it is providing the highest quality of services to veterans, CalVet should improve its tracking system policy by developing oversight controls so that the system is used consistently by all of the veterans homes.	Not Fully Implemented	Department of Veterans Affairs
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.	Not Fully Implemented	Department of Veterans Affairs
16. To more effectively and efficiently meet state purchasing and procurement requirements, CalVet should analyze its current purchasing model to ensure that it is the most efficient and cost-effective to use when purchasing non-IT goods and services for the veterans homes.	Not Fully Implemented	Department of Veterans Affairs
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.	Not Fully Implemented	Department of Veterans Affairs

Report Number 2012-112
Office of the Secretary of State: It Must Do More to Ensure Funds Provided Under the Federal Help America Vote Act Are Spent Effectively (August 2013)

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
1. To ensure that the public, county registrars, and potential voting system developers understand how the secretary of state will make voting system approval decisions, the Office should make it a priority to develop regulations describing voting system standards in accordance with state law. It should begin the formal rule-making process by January 2014.	Fully Implemented	Office of the Secretary of State
2. To comply with federal requirements for record retention, the Office should revise its record retention policy for long-term federal awards such as HAVA.	Fully Implemented	Office of the Secretary of State
3. To ensure that the State has maximum flexibility in how it spends the remaining HAVA funds, the Office should do the following: <ul style="list-style-type: none"> Formally renegotiate its agreement with Justice by discussing the need to pursue VoteCal and obtaining clarity as to what aspect of the current CalVoter system, if any, does not meet HAVA's requirements. Report, by December 2013, the results of these discussions with Justice to the Legislature. If the Office continues to believe it is compliant with Title III requirements, it should take the necessary steps to maximize the Legislature's flexibility to decide how best to appropriate remaining HAVA funds. 	Fully Implemented	Office of the Secretary of State
4. To enhance the value of the HAVA spending plan as a transparency and accountability tool for the Legislature, the Office should make the following modifications to its annual HAVA spending plan: <ul style="list-style-type: none"> 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. 	Will Not Implement	Office of the Secretary of State
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.	Will Not Implement	Office of the Secretary of State
6. To ensure that the secretary of state has the authority to designate voter registration agencies under the NVRA, the Legislature should expressly define who may make such designations.	Legislation Proposed But Not Enacted	Legislature

Report Number 2013-107*Accounts Outside the State's Centralized Treasury System: Processes Exist to Safeguard Money, but Controls for These Accounts Need Strengthening (October 2013)*

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
1. Within the next 60 days, the state controller should implement the policies and procedures it developed to ensure the receipt of outside account reports in each reporting period and to enhance monitoring efforts.	Fully Implemented	State Controller's Office
2. Within the next six months, the state controller should develop policies and procedures to maintain a list of all outside accounts and reconcile its list annually with the state treasurer's list.	Fully Implemented	State Controller's Office
3. Within the next 60 days, the state treasurer should implement the policies and procedures it developed to ensure the receipt of outside account reports in each reporting period and to enhance monitoring efforts.	Fully Implemented	State Treasurer
4. Within the next six months, the state treasurer should develop policies and procedures to maintain a list of all outside accounts and reconcile its list annually with the state controller's list.	Fully Implemented	State Treasurer
5. Within the next 60 days, the Department of Finance should implement the policies and procedures it developed to ensure the receipt of outside account reports in each reporting period and to enhance monitoring efforts.	Fully Implemented	Department of Finance
6. To ensure that all outside accounts have proper authority, over the next six months, Finance should continue to pursue and resolve the 35 identified unresolved cases in which adequate authority could not be confirmed.	Fully Implemented	Department of Finance
15. For the State to better monitor outside accounts, the Legislature should consider requiring the state controller to expand its reporting on outside accounts to include information on accounts opened during the last fiscal year. Reported details should include the authority, name, and balance of the new outside accounts.	Legislation Enacted	Legislature
16. To ensure that state agencies do not misdirect cost recovery revenues in the future, the Legislature should specify that these revenues include any money received as a result of cost recovery efforts, and should require that these revenues be deposited in the state treasury.	Partially Implemented	Legislature

Report Number I2011-0837*California Department of Veterans Affairs: Wastefulness, Failure to Comply With State Contracting Requirements, and Inexcusable Neglect of Duty (October 2013)*

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
1. For all contracts that involve recreation fund moneys or involve recreation fund enterprises, as a best practice, institute policies that require the contracts be awarded and administered in a manner consistent with the policies and procedures set forth in the <i>State Administrative Manual</i> and the <i>State Contracting Manual</i> .	Partially Implemented	Department of Veterans Affairs
2. For all contracts that involve recreation fund moneys or involve recreation fund enterprises, institute policies that require the contracts to be approved by a Veterans Affairs attorney prior to being executed.	Resolved	Department of Veterans Affairs
3. For all contracts that involve recreation fund moneys or involve recreation fund enterprises, institute policies that require the contracts to be reviewed and approved by the secretary of Veterans Affairs, or upon delegation of the authority to do so, by a deputy secretary, prior to the contracts being executed.	Partially Implemented	Department of Veterans Affairs
4. Institute a policy that requires all payments of recreation fund moneys to a person or business in the amount of \$5,000 or more during a fiscal year and any contract involving recreation fund enterprises be presented to the recreation fund advisory board (now known as the Morale, Welfare, and Recreation Committee) at a public meeting for an advisory vote prior to the payment being made.	Pending	Department of Veterans Affairs
5. Institute a policy that requires any expenditure of recreation fund moneys to a person or business in the amount of \$5,000 or more during a fiscal year be listed as a separate line item in the budget of the recreation fund as presented to the secretary for approval.	Pending	Department of Veterans Affairs

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
6. Work with the Governor's Office to take appropriate disciplinary action against the administrator.	Resolved	Department of Veterans Affairs
7. Consider legislation to establish increased statutory controls over the management of the recreation fund maintained by each of the veterans homes to require that the funds be managed by the secretary of Veterans Affairs, in consultation with the administrator of each home, and be managed in a manner that is transparent to the public, takes into account the feelings of veterans, is consistent with the mission of the veterans homes, and is fiscally prudent.	No Action Taken	Legislature

Report Number 2013-102*Employment Development Department: It Needs to Address Data Issues to Better Evaluate and Improve the Performance of Its Employment Programs for Veterans (October 2013)*

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
1. To improve the quality of the performance reporting it submits to Labor, the department should work with Labor to develop reasonable controls to avoid reporting overstated and inaccurate performance measures.	Partially Implemented	Employment Development Department
2. To help protect the State's citizens from identity theft, the Legislature should expressly authorize the department, on its own initiative, to share information from the Base Wage File with appropriate law enforcement officials when evidence exists of the potential misuse of Social Security numbers. If the department receives such legal authority, it should, at least annually, review the Base Wage File for associations of multiple names with a single Social Security number. The department should also establish a reasonable threshold for the number of associated names that will trigger further scrutiny from the department or referral to law enforcement.	Legislation Proposed But Not Enacted	Legislature
3. To improve the department's performance on its negotiated goals, it should, by January 2014, ensure that all veterans employment representatives are fully trained to use the new version of CalJOBS.	Fully Implemented	Employment Development Department
4. To improve the department's performance on its negotiated goals, it should, through its governance council, regularly assess whether its actions under the 100-day plan are improving performance on the three common measures.	Fully Implemented	Employment Development Department
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.	Pending	Employment Development Department
6. To ensure that it is using its limited resources effectively, the department and its information division should develop and implement, by July 2014, a means to receive and analyze feedback from workforce branch staff and from local workforce agencies to determine whether they have ideas for improving the employment outcomes for veterans. Specifically, the feedback method should include a means of identifying whether the staff in the field are accomplishing the department's veteran-specific objectives and whether the tools being used—such as labor information reports and the Vocations for Vets publications—can be made more useful and effective.	Fully Implemented	Employment Development Department
7. To better optimize its leadership role in the interagency council's employment workgroup, the department should ensure that the employment workgroup develops a timeline for completing its action items and develops a process for measuring its success in improving employment outcomes for veterans. Specifically, the department should take the lead for establishing a time frame for evaluating tools to help assess and translate military skills into finding civilian jobs and establishing a transition assistance program for veterans.	Will Not Implement	Employment Development Department

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
8. To evaluate the success of the veterans assistance program going forward, the department should analyze the performance of the grant recipients across all three common measures. Further, the program manager unit and the reporting unit should work together to ensure that the data the program manager unit is using to assess program performance are the most appropriate and the best available.	Fully Implemented	Employment Development Department
9. To assess whether it is doing enough to take advantage of federal requirements that federal contractors give preference to veterans when hiring, the department should determine why the reported number of veterans receiving employment with federal contractors is so low relative to the number of job referrals made and it should provide appropriate direction to the veterans employment representatives to better leverage the federal contractor job listing.	Pending	Employment Development Department

Report Number 2013-115

Disabled Veteran Business Enterprise Program: Meaningful Performance Standards and Better Guidance by the California Departments of General Services and Veterans Affairs Would Strengthen the Program (February 2014)

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
1. To provide a more meaningful measure of how well disabled veteran-owned businesses benefit financially from the DVBE program, the Legislature should amend the DVBE reporting requirements in the Public Contract Code to require that all awarding departments take the following steps to report DVBE participation and ensure that data can be corroborated: <ul style="list-style-type: none"> • For DVBE firms that contract directly with the State (prime contractors), require awarding departments to report on an annual basis DVBE participation based on amounts they paid the DVBE firms. • For DVBE firms that work as a subcontractor (that do not directly contract with the awarding department), require the awarding departments to track and report on an annual basis DVBE participation based on amounts the subcontracting DVBE firms received, as certified by the subcontractors. • Require awarding departments to maintain accounting records and certifications from DVBE subcontractors, as applicable, that support the DVBE participation data reported. 	No Action Taken	Legislature
2. If the Legislature chooses not to amend the DVBE reporting requirements in the Public Contracting Code—to require awarding departments to report DVBE participation annually based on amounts paid, not amounts awarded—the Legislature should amend the Public Contracting Code to do the following: <ul style="list-style-type: none"> • Require awarding departments to maintain detailed support for their DVBE activity and to establish review procedures to ensure the accuracy and completeness of the award amounts reported. • Include specific instructions to awarding departments on how they should report multiyear contracts, either at the time of award or by an equal distribution of the award over the life of the contract. 	No Action Taken	Legislature
3. For the DVBE program to benefit a broad base of disabled veteran-owned businesses financially, the Legislature should enact legislation aimed at increasing the number of DVBEs that contract with the State, including increasing the amount of the DVBE incentive that awarding departments can apply when considering bids on state contracts. Such an incentive could include additional preference points to certain bids when the bidder is a DVBE firm that the department has not previously used, and when the DVBE firm is the prime contractor.	No Action Taken	Legislature
4. To ensure that the State enforces its contractual right to obtain a complete copy of its procurement data, General Services should take all necessary steps to ensure that it can extract a reliable copy of all of the State's procurement data from BidSync so that the data can be used and analyzed to the State's benefit. These steps should include testing that the data it obtains from BidSync is accurate and complete, and it should be completed before the end of the contract term with BidSync, in September 2014.	Pending	Department of General Services
7. To help ensure that General Services does not incorrectly report businesses that are not certified DVBEs, it should verify, at least on a sample basis for high-value contracts, the certification status of the DVBE firms before submitting their DVBE activity reports to General Services.	Pending	Department of General Services

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
<p>9. To ensure CalVet is meeting its statutory obligations for the DVBE program, it should do the following:</p> <ul style="list-style-type: none"> • Develop stronger measures to evaluate its outreach efforts, including formalizing a process for interpreting and evaluating its DVBE survey results and incorporating those results into its DVBE outreach plan. • Work more closely with awarding departments to help them meet the DVBE participation goals and promote DVBE contracting opportunities, including taking a more active role in leading DVBE advocate meetings and posting formal minutes from those meetings on its public Web site. 	Fully Implemented	Department of Veterans Affairs

Report Number 2013-116

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 (February 2014)

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
<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 assist the board in better defining and identifying underserved areas in Los Angeles.</p>	Will Not Implement	Los Angeles County
<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 as the College of Surgeons to review Measure B allocations to ensure that they are addressing the most pressing needs of at-risk populations in Los Angeles.</p>	Will Not Implement	Los Angeles County
<p>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 as the College of Surgeons to assess the adequacy of helicopter services it provides in underserved areas.</p>	Will Not Implement	Los Angeles County
<p>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 as the College of Surgeons to analyze how EMS might better use the data it collects to evaluate, improve, and report continuously on its trauma system.</p>	Will Not Implement	Los Angeles County
<p>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.</p>	No Action Taken	Los Angeles County

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
6. To determine the adequacy and effectiveness of the helicopter services it provides to residents of underserved areas who suffer a trauma injury, EMS should collect, assess, and report accurate and complete data on the number of flights flown by each provider to underserved areas	Pending	Los Angeles Emergency Medical Services Agency
7. To determine the adequacy and effectiveness of the helicopter services it provides to residents of underserved areas who suffer a trauma injury, EMS should collect, assess, and report accurate and complete data on the time it takes to transport each trauma patient.	Pending	Los Angeles Emergency Medical Services Agency
8. To determine the adequacy and effectiveness of the helicopter services it provides to residents of underserved areas who suffer a trauma injury, EMS should collect, assess, and report accurate and complete data on the health outcomes, including mortality rates, of trauma patients transported by helicopter.	Pending	Los Angeles Emergency Medical Services Agency
9. To determine the adequacy and effectiveness of the helicopter services it provides to residents of underserved areas who suffer a trauma injury, EMS should collect, assess, and report accurate and complete data on the number of cancelled flights in each of these underserved areas, including the method of transportation used instead of helicopters and the transport times and trauma patient outcomes.	Pending	Los Angeles Emergency Medical Services Agency
10. Los Angeles should undertake formal discussions with Pomona's management regarding the hospital becoming a trauma center. In doing so, Los Angeles should analyze its current Measure B allocations to determine whether financial opportunities exist that would meet the needs of Pomona and present the resulting analysis to Pomona. Further, it should document its efforts and the resulting outcome so that both voters and taxpayers are aware of the diligence Los Angeles has undertaken in fulfilling the spirit of Measure B.	Partially Implemented	Los Angeles County

Report Number 2013-036*Indian Gaming Special Distribution Fund: Counties' Benefit Committees Did Not Always Comply With State Laws for Distribution Fund Grants (March 2014)*

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
1. 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	County of Butte
2. 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	Lake County
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.	Pending	County of Riverside
4. 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	County of San Diego
5. To comply with state law requiring it to reserve specific amounts of mitigation grant funds for local government jurisdictions based on the nexus criteria, Butte County's benefit committee should correct its determinations of nexus eligibility for the city of Oroville and Butte County by April 1, 2014.	Fully Implemented	County of Butte
6. To comply with state law requiring it to reserve specific amounts of mitigation grant funds for local government jurisdictions based on the nexus criteria, Butte County's benefit committee should ensure that it awards the minimum funding to each local government jurisdiction consistent with its corrected nexus determinations.	Fully Implemented	County of Butte

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
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.	Pending	County of Butte
8. To ensure that grant recipients comply with state law concerning interest earned on mitigation grant funds, by June 2014, the Lake 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.	Pending	Lake County
9. 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 instruct the Controller to release funds directly to the grant recipients.	Resolved	County of San Diego
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.	Pending	County of San Diego
11. Unless the Legislature amends current state law, the Controller should implement its plan to modify its distribution process beginning with fiscal year 2013–14 grant awards to ensure that it only releases funds directly to approved grant recipients.	Fully Implemented	State Controller's Office
12. To comply with the reform act, Butte County's benefit committee should adopt a conflict code and appoint a filing officer by June 2014.	Fully Implemented	County of Butte
13. To comply with the reform act, the benefit committee for San Diego County should review staff responsibilities to ensure that its conflict code requires all individuals participating in or making governmental decisions to disclose reportable interests.	Pending	County of San Diego
14. To comply with the reform act, the benefit committee for Riverside County should review staff responsibilities to ensure that its conflict code requires all individuals participating in or making governmental decisions to disclose reportable interests.	Fully Implemented	County of Riverside
15. To comply with the reform act, the benefit committee for Butte County once it adopts its conflict code, should review staff responsibilities to ensure that its conflict code requires all individuals participating in or making governmental decisions to disclose reportable interests.	Fully Implemented	County of Butte
16. To ensure that the benefit committee members and other designated individuals comply with reform act requirements for filing statements of economic interests, the Lake, Riverside, and San Diego benefit committees filing officers should attend FPPC training so that they are aware of and meet the responsibilities under the reform act. Each of these benefit committees should also establish a formal process for ensuring that all required individuals file statements of economic interests. For example, each benefit committees filing officer should notify designated individuals of their responsibility to submit statements of economic interests and follow up with those who fail to file.	Resolved	Lake County
17. To ensure that the benefit committee members and other designated individuals comply with reform act requirements for filing statements of economic interests, the Lake, Riverside, and San Diego benefit committees filing officers should attend FPPC training so that they are aware of and meet the responsibilities under the reform act. Each of these benefit committees should also establish a formal process for ensuring that all required individuals file statements of economic interests. For example, each benefit committees filing officer should notify designated individuals of their responsibility to submit statements of economic interests and follow up with those who fail to file.	Fully Implemented	County of Riverside
18. To ensure that the benefit committee members and other designated individuals comply with reform act requirements for filing statements of economic interests, the Lake, Riverside, and San Diego benefit committees filing officers should attend FPPC training so that they are aware of and meet the responsibilities under the reform act. Each of these benefit committees should also establish a formal process for ensuring that all required individuals file statements of economic interests. For example, each benefit committees filing officer should notify designated individuals of their responsibility to submit statements of economic interests and follow up with those who fail to file.	Pending	County of San Diego

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
19. To ensure that the benefit committee members and other designated individuals comply with reform act requirements for filing statements of economic interests, after Butte County's benefit committee has appointed a filing officer, the filing officer should attend FPPC training and notify designated individuals of their responsibility to submit statements of economic interests and follow up with those who fail to file.	Pending	County of Butte
20. To improve compliance with state laws and provide technical assistance in administering the mitigation grant program, the Legislature should consider designating an agency, such as the gambling commission or Justice, to provide oversight and technical assistance to the benefit committees. The oversight entity could, at a minimum, ensure that local government jurisdictions receive the amount reserved for them in state law.	No Action Taken	Legislature

Report Number 2013-045*Bureau for Private Postsecondary Education: It Has Consistently Failed to Meet Its Responsibility to Protect the Public's Interests (March 2014)*

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
1. To ensure that it does not create unnecessary delays for institutions that desire to operate within the State, the bureau should reduce its backlog of licensing applications by reviewing and streamlining the applications process.	Pending	Bureau for Private Postsecondary Education
2. To ensure that it does not create unnecessary delays for institutions that desire to operate within the State, the bureau should develop a process for tracking the status of the applications it receives.	Partially Implemented	Bureau for Private Postsecondary Education
3. To ensure that it does not create unnecessary delays for institutions that desire to operate within the State, the bureau should specify a time frame within which staff must process applications.	Pending	Bureau for Private Postsecondary Education
4. To ensure that it does not create unnecessary delays for institutions that desire to operate within the State, the bureau should update its procedures to include the time frames for processing applications.	Pending	Bureau for Private Postsecondary Education
5. To ensure that it does not create unnecessary delays for institutions that desire to operate within the State, the bureau should track the time its staff take to perform each step of the licensing process.	Pending	Bureau for Private Postsecondary Education
6. To ensure that it does not create unnecessary delays for institutions that desire to operate within the State, the bureau should use available resources—such as visiting committees—to assist in processing the applications.	Pending	Bureau for Private Postsecondary Education
7. To comply with state law, the bureau needs to establish a proactive program to identify unlicensed institutions.	Fully Implemented	Bureau for Private Postsecondary Education
8. To ensure that the unlicensed institutions it identifies cease to operate, the bureau needs to use the enforcement mechanisms that state law provides for sanctioning unlicensed institutions and track all relevant information related to its enforcement actions against these institutions.	Partially Implemented	Bureau for Private Postsecondary Education
9. To comply with state law and to ensure that it effectively manages its inspections of institutions, the bureau should establish a schedule that maps out its anticipated announced and unannounced inspection dates for each of the institutions it regulates, and ensure that the schedule is consistent with state law.	Pending	Bureau for Private Postsecondary Education
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.	Partially Implemented	Bureau for Private Postsecondary Education
11. To comply with state law and to ensure that it effectively manages its inspections of institutions, the bureau should seek official clarification from its legal counsel and the federal government regarding whether it must conduct compliance inspections for educational institutions approved through accreditation by July 1, 2014.	No Action Taken	Bureau for Private Postsecondary Education
12. To comply with state law and to ensure that it effectively manages its inspections of institutions, the bureau should establish a mechanism for tracking the amount of time its staff take to complete each step of its announced inspection process.	Pending	Bureau for Private Postsecondary Education

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
13. To comply with state law and to ensure that it effectively manages its inspections of institutions, the bureau should continue its efforts to streamline its announced inspection process in order to reduce redundancies and increase efficiency.	Partially Implemented	Bureau for Private Postsecondary Education
14. To comply with state law and to ensure that it effectively manages its inspections of institutions, the bureau should evaluate periodically the reasonableness of the time frame it established for completing announced inspections.	Pending	Bureau for Private Postsecondary Education
15. To comply with state law and to ensure that it effectively manages its inspections of institutions, the bureau should establish procedures and time frames for its unannounced inspection process.	Partially Implemented	Bureau for Private Postsecondary Education
16. To comply with state law and to ensure that it effectively manages its inspections of institutions, the bureau should establish a mechanism for tracking the amount of time it takes to complete each step of its unannounced inspection process.	Pending	Bureau for Private Postsecondary Education
17. To comply with state law and to ensure that it effectively manages its inspections of institutions, the bureau should evaluate periodically the reasonableness of the time frame it establishes for completing unannounced inspections.	Pending	Bureau for Private Postsecondary Education
18. To improve the quality of its inspections and related enforcement actions, the bureau should establish policies, procedures, and training for managers that include guidance on how to review inspection files and how to document evidence of their reviews.	Pending	Bureau for Private Postsecondary Education
19. To improve the quality of its inspections and related enforcement actions, the bureau should assign the task of resolving notices to comply to the inspection managers, as originally designed.	Fully Implemented	Bureau for Private Postsecondary Education
20. To improve the quality of its inspections and related enforcement actions, the bureau should monitor the status of its enforcement actions such as notices to comply weekly so that it can prevent delays in meeting mandated deadlines.	Pending	Bureau for Private Postsecondary Education
21. To improve the quality of its inspections and related enforcement actions, the bureau should provide additional guidance to the inspectors on the distinction between minor and material violations and the related actions inspectors should take in response to identifying these violations.	Pending	Bureau for Private Postsecondary Education
22. To reduce its backlog of unresolved complaints involving institutions, the bureau needs to establish benchmarks and monitor them to ensure that the additional staff it requested and Consumer Affairs' complaint program staff resolve the backlog as expeditiously as possible.	Pending	Bureau for Private Postsecondary Education
23. To ensure that it closes complaints in a timely manner, the bureau should analyze its process and establish a reasonable time frame for resolving them.	Pending	Bureau for Private Postsecondary Education
24. To ensure that it closes complaints in a timely manner, the bureau should modify its policies and procedures to include the established time frame.	Pending	Bureau for Private Postsecondary Education
25. To ensure that it closes complaints in a timely manner, the bureau should ensure that its staff adhere to the established time frame.	Pending	Bureau for Private Postsecondary Education
26. To address issues that pose the most serious potential risk to students, the bureau should ensure that staff follow its policies and procedures for prioritizing complaints and identify the urgent, and high priority cases on the complaint log. In addition, the bureau, needs to establish a process for reviewing its staffs determination, of the priority of complaints and for tracking the priority levels.	Partially Implemented	Bureau for Private Postsecondary Education
27. To ensure that staff identify and obtain sufficient evidence before closing complaints, the bureau should continue to work with Consumer Affairs to establish an investigative training program.	Fully Implemented	Bureau for Private Postsecondary Education
28. To ensure that institutions provide prospective students with accurate data in their fact sheets and annual reports, the bureau should immediately direct its staff to review and retain documentation supporting the fact sheets during on-site inspections.	Fully Implemented	Bureau for Private Postsecondary Education
29. To ensure that institutions provide prospective students with accurate data in their fact sheets and annual reports, the bureau should immediately train its staff how to calculate correctly the uniform data the institutions are to report in their annual reports and fact sheets in accordance with state law and regulations.	Partially Implemented	Bureau for Private Postsecondary Education

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
30. To ensure that institutions provide prospective students with accurate data in their fact sheets and annual reports, the bureau should immediately improve its outreach and education efforts to institutions to ensure that the institutions comply with all applicable disclosure requirements.	Fully Implemented	Bureau for Private Postsecondary Education
31. To process recovery fund claims within its 90-day goal, the bureau needs to track the information that will allow it to identify which steps in the process result in delays. When it identifies the delays in the process, the bureau should take steps to address them.	Pending	Bureau for Private Postsecondary Education
32. To reduce the available balance in the recovery fund below the statutory limit of \$25 million, the bureau should continue its plans to address the collection of the recovery fund assessment.	Pending	Bureau for Private Postsecondary Education
33. The bureau should implement and enforce policies, procedures, and sanctions to ensure that institutions submit to the bureau the recovery fund assessments that they collect from students so that the institutions are not unjustly enriched.	Partially Implemented	Bureau for Private Postsecondary Education
34. Although we did not make specific recommendations to the Legislature, we provided a variety of options for the Legislature to consider in Chapter 3 of our report. In this section, we will provide periodic updates of what, if any, action the Legislature takes to address the State's continuous struggle with regulating private postsecondary education.	No Action Taken	Legislature

Report Number I2012-0651

Employment Development Department: It Failed to Participate in a Federal Program That Would Have Allowed the State to Collect Hundreds of Millions of Dollars (March 2014)

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
1. To ensure that EDD collects unemployment benefit overpayments as efficiently as possible, we recommend EDD adhere to its commitment to begin participating in the Offset Program to collect unemployment benefit overpayments by no later than September 2014.	Fully Implemented	Employment Development Department
2. To ensure that EDD efficiently acts to take advantage of future collection opportunities, we recommend EDD institute a routine process for staff to identify and thoroughly evaluate ideas for improving EDD's ability to collect overpayments. This process should require staff to bring promising ideas to the attention of EDD's senior management so it can give prompt, informed consideration to these ideas and document in detail the substance of that consideration.	No Action Taken	Employment Development Department

Report Number 2014-502

Commission on Teacher Credentialing—Follow-Up Review (July 2014)

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
1. To make its strategic plan a more useful mechanism for accomplishing its mission, the Commission on Teacher Credentialing (commission) should ensure that, to the extent possible, its goals have timelines and are measurable. Further, the commission should periodically evaluate and track its progress towards meeting its goals.	Partially Implemented	California Commission on Teacher Credentialing

Report Number 2012-603

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

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
1. The Legislature should amend state law to clarify the statute of limitations for recovering the overpayment of leave credits. For example, it could require state agencies to provide notice to the employee that he or she was inappropriately credited leave hours within three years from the date the employee was credited the hours or three years from the date the employee separated from state service and, in instances of fraud, three years from the date the State discovered the fraud.	No Action Taken	Legislature

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
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.	Partially Implemented	Department of Human Resources
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.	No Action Taken	State Controller's Office
5. 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 work with CalHR to establish procedures by January 2015 for updating the criteria it uses to produce the monthly exception reports to ensure that the criteria reflect changes in state law and collective bargaining agreements.	No Action Taken	State Controller's Office
6. To improve the accuracy of information in the leave accounting system and to ensure that agencies do not improperly credit employees with leave in the future, the state controller should, using criteria provided by CalHR, develop monthly exception reports that identify transactions in the leave accounting system that are inconsistent with the guidelines established in state law and collective bargaining agreements, such as instances in which state employees receive too many personal holidays or too much holiday credit. By June 2015 begin providing each state agency's human resources management with the transactions identified in the exception reports for review and correction as necessary.	No Action Taken	State Controller's Office
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.	Partially Implemented	Department of Human Resources
8. To ensure that state agencies accurately account for their employees' leave benefits, CalHR should work with the state controller to establish procedures by January 2015 for updating these criteria to ensure that they reflect any changes to state law and collective bargaining agreements.	No Action Taken	Department of Human Resources
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.	Partially Implemented	Department of Human Resources
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.	Partially Implemented	Department of Human Resources
11. To ensure that state agencies accurately account for their employees' leave benefits, CalHR should develop guidelines and procedures by January 2015 requiring all state agencies to review information their personnel specialists enter into any system they use to track state employees' leave transactions.	Partially Implemented	Department of Human Resources
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.	No Action Taken	California Science Center
13. By February 2015 Chula Vista should provide training to all of its personnel specialists regarding the number of leave hours employees earn for working on holidays that fall on Saturdays.	No Action Taken	Department of Veterans Affairs

Report Number 2014-101

Employment Development Department: It Should Improve Its Efforts to Minimize Avoidable Appeals of Its Eligibility Determinations for Unemployment Insurance Benefits (August 2014)

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
1. To reduce the number of its determinations that are overturned on appeal, the Employment Development Department (EDD) should change its practices to ensure that its staff have demonstrated that all of the necessary elements of a false statement are adequately supported before disqualifying a claimant for unemployment benefits or assessing the associated 30 percent penalty on that basis. To do this, EDD should update its training to further emphasize that false statement disqualifications, especially those resulting from wage reporting, cannot be assessed unless all of the elements are present.	Pending	Employment Development Department
2. To reduce the number of its determinations that are overturned on appeal, EDD should revise its Web site and the materials that accompany the continued claim form to provide specific instructions to claimants on how to avoid common errors that claimants make when reporting wages, such as the error of applying some wages to the incorrect week.	Pending	Employment Development Department
3. To reduce the number of its determinations that are overturned on appeal, EDD should ensure that determinations are supported by sufficient fact-finding and relevant evidence by increasing the required number of attempts to reach claimants by telephone or e-mail before making a determination.	Partially Implemented	Employment Development Department
4. To reduce the number of its determinations that are overturned on appeal, EDD should allow additional time for its staff to process misconduct and voluntary quit cases, especially those that involve complex issues.	Pending	Employment Development Department
5. To reduce the number of its determinations that are overturned on appeal, EDD should improve its due diligence during the pre-appeal review process by considering appellants' reasons for appealing and by contacting claimants, employers, and third parties when necessary to obtain clarifying information that could result in a redetermination, which could eliminate or reduce the need for some appeals board hearings.	Pending	Employment Development Department
6. To reduce the number of its determinations that are overturned on appeal, EDD should identify those types of appeals that could be most influenced by EDD staff attendance at the appeal hearing, and analyze the feasibility and cost-effectiveness of participating in those hearings by telephone.	Pending	Employment Development Department
7. 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, the California Unemployment Insurance Appeals Board (appeals board) should, by September 1, 2014, aggregate the outcomes associated with each of the legal issues that it decided during fiscal year 2013–14 and make these data available to EDD. In addition, the appeals board should make similar updated data available to EDD twice each fiscal year thereafter.	Partially Implemented	California Unemployment Insurance Appeals Board
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, using the appeals board's data from fiscal year 2013–14, 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.	Pending	Employment Development Department
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 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.	Pending	Employment Development Department

Report Number 2014-037

California Department of Housing and Community Development: Inconsistent Oversight Has Resulted in the Questionable Use of Some Housing Bond Funds (September 2014)

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
1. To ensure that it complies with state law and maximizes the public benefits that its Multifamily Housing Program provides, HCD should improve its current process for awarding program funds by documenting its determination of whether the costs of proposed projects are reasonable.	Pending	Department of Housing and Community Development
2. To assure the validity of its cost comparisons for Multifamily Housing Program projects, HCD should update the program's historical cost spreadsheet either by including projects it approved after 2008 or by adjusting the tool's data to current values.	Pending	Department of Housing and Community Development
3. To meet the intent of the law, HCD should approve and fund for the Catalyst Program only those projects that more directly create or preserve housing opportunities.	Pending	Department of Housing and Community Development
4. To ensure that recipients submit required status reports, HCD should develop and implement strategies to better monitor these reports. For example, program management could review a central tracking spreadsheet of status reports and require staff to contact recipients that are not complying with requirements. After six months of noncompliance by recipients, HCD should send warning letters to recipients that it will cancel their awards or seek remedies and require them to return the funds unless they provide the reports within a specified time.	Pending	Department of Housing and Community Development
5. To ensure that recipients spend advanced funds promptly and that it has accurate information about outstanding advanced funds, HCD should develop a thorough process to track and monitor advances.	Pending	Department of Housing and Community Development
6. To ensure that recipients spend advanced funds promptly and that it has accurate information about outstanding advanced funds, HCD should reconcile advances to its accounting records and to documentation to ensure that recipients spent all of the advances that HCD made previously.	Pending	Department of Housing and Community Development
7. To ensure that recipients spend advanced funds promptly and that it has accurate information about outstanding advanced funds, HCD should clarify when recipients must return unspent advances either by revising its policies and procedures or by seeking regulatory change, if needed. For example, HCD could consider requiring recipients to return advanced funds held more than 90 days, to pay an interest penalty on the outstanding funds, or to face other corrective action.	Pending	Department of Housing and Community Development
8. To maximize the benefits of its on-site review for CalHome, HCD should revise its current risk assessment tool or develop a new tool to identify the recipients that are at high risk of noncompliance with program requirements. For example, HCD could identify recipients as high risk that have received large amounts of funds and have not submitted required status reports for two consecutive periods.	Pending	Department of Housing and Community Development
9. Once it has an effective risk assessment tool in place, HCD should establish a process to ensure that it consistently uses the tool to select the recipients at highest risk for on-site monitoring.	Pending	Department of Housing and Community Development
10. To ensure that its data system is a useful tool for managing its housing bond programs, HCD should revise its strategy documents to clearly outline the steps it will take to address CAPES' current weaknesses. It should include specific timelines and activities within its strategy documents.	Pending	Department of Housing and Community Development
11. Before July 2015 HCD should adopt policies identifying the steps it should take to ensure that it does not exceed statutory administrative costs limits from bond funds and follow those policies when warranted.	Pending	Department of Housing and Community Development

Report Number 2014-108

State Board of Equalization Building: Despite Ongoing Health and Safety Concerns, the State Has Not Thoroughly Analyzed the Costs and Benefits of Relocating Employees (September 2014)

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
1. To more clearly demonstrate its case for a new facility, BOE should ensure that it has a supportable rationale for the assumptions underlying its analysis of the costs and benefits of moving to a new consolidated facility.	Pending	Board of Equalization
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.	Pending	Board of Equalization
3. To more clearly demonstrate its case for a new facility, BOE should incorporate staffing growth into its analysis of costs and benefits, using projections based on long-term historical data.	Pending	Board of Equalization
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.	Pending	Board of Equalization
5. To ensure that resources are spent wisely, General Services should seek the funding and approval needed to analyze whether keeping or selling the BOE building would be in the State's best financial interest. As part of that analysis, General Services should conduct, or contract for, appraisals to assess the value of the building with and without the repairs to determine whether making the repairs is in the best interest of the State. If continued ownership of the building appears to be prudent, General Services should evaluate potential productive uses for the building should BOE move to a new facility. General Services should report the results of its analysis to the Legislature no later than September 2015.	Pending	Department of General Services

Report Number 2014-119

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 (December 2014)

RECOMMENDATION	STATUS OF RECOMMENDATION*	ENTITY
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.	Pending	City of Indio

Report Number I2014-1

Investigations of Improper Activities by State Agencies and Employees (December 2014)

RECOMMENDATION	STATUS OF RECOMMENDATION*	ENTITY
1. Return to headquarters the remaining excess expendable materials seen in August 2013.	Partially Implemented	California Military Department
2. Identify a barcode system that can be used to inventory expendable state property and implement that system.	Partially Implemented	California Military Department
3. Establish a routine of completing a monthly inventory of expendable state property after the barcode system is implemented.	No Action Taken	California Military Department
4. To address the dishonesty and incompatible activities of the employee, place information in the employee's personnel file regarding his dishonesty and incompatible activities so the information may be considered if the employee seeks future employment with the State.	Fully Implemented	Department of Industrial Relations
5. To address the neglect of supervisory duties by the manager, take adverse action against the manager.	Fully Implemented	Department of Industrial Relations

RECOMMENDATION	STATUS OF RECOMMENDATION	ENTITY
6. To address the failure to adopt a telecommuting program consistent with General Services' guidance, adopt a telecommuting program consistent with General Services' policies, procedures, and guidelines, including the model program, and train staff regarding the requirements of that program.	Fully Implemented	Department of Industrial Relations
7. Either cease providing Inter-Con's evening and weekend security guards with free parking or amend its contract with Inter-Con to disclose that it is providing free parking to Inter-Con employees as part of the price of the contract to protect the safety of the guards working evening and weekend shifts.	Pending	Department of General Services
9. Provide training regarding headquarters designations and their impact on travel expense claims to all Facilities Office staff who regularly submit travel expense claims.	Partially Implemented	Employment Development Department
10. Provide training to all Facilities Office supervisors who oversee traveling staff to ensure that they understand how to determine and designate headquarters locations for their employees properly.	Partially Implemented	Employment Development Department
11. Require all Facilities Office supervisors to evaluate the current headquarters designations for their traveling staff to ensure that the headquarters designations are correct.	Fully Implemented	Employment Development Department
12. Provide training to the travel unit to ensure that its employees understand the relevant laws and regulations governing headquarters designations.	Fully Implemented	Employment Development Department

* The status of recommendations for audits issued between November and December 2014 is based on the agencies' initial response, which is included in the original audit report, available on the California State Auditor's (state auditor) Web site: www.auditor.ca.gov.

† As of March 2012, the California Emergency Management Agency became the California Office of Emergency Services.