

ITEM 8

EXECUTIVE DIRECTOR'S REPORT

Litigation and Personnel Subcommittee Appointments, Workload Update, and Tentative Agenda Items for the January and March 2019 Meetings (info/action)

I. LITIGATION AND PERSONNEL SUBCOMMITTEE APPOINTMENTS (action)

The September 2018 meeting was the last Commission hearing for member Chivaro who was an active member of the litigation subcommittee and the personnel subcommittee for many years. As such, the Commission needs to seek a replacement for him in these capacities.

Eligibility. Commission members, as defined by Government Code section 17525, are eligible to serve on subcommittees, which serve in an advisory capacity to the Commission but do not take actions. The Commission consists of seven members as follows:

- The Director of Finance (Keely Bosler)
- The Controller (Betty T. Yee)
- The Treasurer (John Chiang)
- The Director of the Office of Planning and Research (Ken Alex)
- A public member with experience in public finance (Sarah Olsen)
- A county supervisor (Lee Adams)
- A city council member (Carmen Ramirez)

Any member may volunteer to serve and, upon a vote of the Commission, may serve on a subcommittee of the Commission.

Commission staff recommends allowing members to nominate themselves and to serve upon approval of the Commission.

II. WORKLOAD¹ (info)

A. COMPLETED WORKLOAD SUMMARY

Type of Caseload	Completed in 2017/2018	Completed in 2018/2019
Test Claims	4	1
Parameters & Guidelines	1	1
Parameters & Guidelines Amendments	0	0
Requests for Reconsideration	0	0
Statewide Cost Estimates	0	0
Request to Review Claiming Instructions	0	0
Mandate Redetermination Requests	0	0
Incorrect Reduction Claims	10	2
Appeal of Executive Director Decisions	0	0

B. COMMISSION WORKLOAD REPORT

Type of Action	Pending on 7/1/2018	Filed Since 7/1/2018	Completed Since 7/1/2018	Pending on 11/1/2018
Test Claims	19	20	1	38 ²
Parameters and Guidelines	2	0 ³	0	2 ⁴
Joint Reasonable Reimbursement Methodologies	0	0	0	0
Pending Requests To Jointly Develop Legislatively Determined Mandates	0	0	0	0
Requests for Reconsideration	0	0	0	0
Requests to Review Claiming Instructions	0	0	0	0

¹ As of November 1, 2018.

² 35 of the 38 pending local agency claims are regarding National Pollutant Discharge Elimination System (NPDES) permits.

³ Proposed parameters and guidelines may be filed by the test claimant or expedited and issued by Commission staff upon the adoption of an approved test claim or upon the expiration of a joint reasonable reimbursement methodology.

⁴ One of these Parameters and Guidelines is on inactive status pending the outcome of litigation on the underlying Test Claim Decision.

Type of Action	Pending on 7/1/2018	Filed Since 7/1/2018	Completed Since 7/1/2018	Pending on 11/1/2018
Statewide Cost Estimates	3	0 ⁵	0	3 ⁶
Test Claim Reconsiderations or Reinstatements Based on Court Action	0	0	0	0
Parameters and Guidelines to be Amended, Set Aside, or Reinstated, as Directed by the Legislature or Court Action	0	0	0	0
Proposed Amendments to Parameters and Guidelines	1	0 ⁷	0	1 ⁸
Requests for Mandate Redetermination	1	0	0	1
Incorrect Reduction Claims	8	1	2	7
Incorrect Reduction Claims to be Reconsidered Based on Court Action	0	0	0	0
Appeals of Executive Director's Decisions	0	0	0	0
Regulatory Actions Pending	0	0	0	0
Applications for Findings of Significant Financial Distress	0	0	0	0

⁵ Statewide cost estimates are not filed, but are issued by the Commission after claiming instructions have been issued and initial claims have been received by the State Controller's Office.

⁶ One of these Statewide Cost Estimates is on inactive status pending the outcome of litigation on the underlying Test Claim Decision.

⁷ Proposed parameters and guidelines amendments may be filed by an affected local or state agency for any of the reasons specified by section 1183.17 of the Commission's regulations or they may expedited and issued by Commission staff upon the adoption of new test claim decision under the redetermination process.

⁸ This Proposed Amendment to Parameters and Guidelines is on inactive status pending the outcome of litigation.

C. ADMINISTRATIVE WORKLOAD (info)

This section of the Executive Director's Report highlights major issues, challenges, and achievements with regard to the administrative workload of Commission staff.

State Personnel Board Compliance Review

Pursuant to Government Code section 18661, the State Personnel Board's Compliance Review Unit (SPB) conducts compliance reviews of appointing authorities' personnel practices in five areas: examinations, appointments, equal employment opportunity, personal services contracts, and mandated training, to ensure compliance with civil service laws and board regulations. The purpose of these reviews is to ensure state agencies comply with merit related laws, rules, and policies, and to identify and share best practices identified during the reviews. SPB also conducts compliance reviews of appointing authorities' personnel practices to ensure that state departments are appropriately managing the following non-merit-related personnel functions: compensation and pay, leave, and policy and processes. The SPB conducts these reviews on a three-year cycle and it audited the Commission's practices this year which has involved significant management resources of the Commission to provide documents, attend meetings, and to respond to the SPB findings. The Commission has no rank and file staff to perform the human resources functions at issue in this review, all of which are either performed by management or are contracted out to DGS. Nevertheless, the Commission is ultimately held responsible. Commission management is currently working on implementing compliance measures and preparing its written report of compliance, which is due to SPB on December 31, 2018.

Work Force Planning

CalHR expects State agencies to understand the workforce implications of current and future business operations and have a plan for ensuring that there is a capable workforce in place to perform the mission and meet business objectives. Thus, CalHR has created a process for agencies to submit workforce plans and provide updates and status reports. To meet the minimum requirements, a workforce plan must identify:

- Alignment with the operational and strategic business goals of the organization;
- Current and future gaps between the workforce you have (supply) and the workforce plan you need (demand);
- Workforce planning challenges and risks;
- Action plan containing specific, measurable, achievable, realistic, and time-based metrics for how the organization will address current and anticipated workforce challenges;
- Process to evaluate the workforce plans effectiveness for accomplishing planned outcomes;
- Current plan covering no more than a five-year span.

CalHR has created a program to assist agencies in creating their plans. Commission staff is currently participating in the Fall 2018 program and will have a completed Workforce Plan to present to the Commission. The creation of this plan has required the gathering and analysis of a decade's worth of data to show recruitment, retention, and retirement trends; identify strengths, weaknesses, opportunities and threats; and formulate initiatives to address the most critical weaknesses and threats while building on strengths and opportunities. This work has involved substantial analyst and management time, but we hope it will be time well spent to ensure that

the Commission can effectively fill staffing gaps and recruit and retain the best candidates for the future of the agency.

III. TENTATIVE AGENDA ITEMS (info)

The tentative agenda items are subject to change based on, among other things, Commission workload, staffing, litigation, requests for extensions of time to file comments on draft proposed decisions, hearing postponements, informal conferences, and the complexity of the matters.

January or March Meetings

A. TEST CLAIMS

1. *California Regional Water Quality Control Board, Santa Ana Region, Order No. R8-2009-0030, 09-TC-03*
County of Orange, Orange County Flood Control District, Cities of Anaheim, Brea, Buena Park, Costa Mesa, Cypress, Fountain Valley, Fullerton, Huntington Beach, Irvine, Lake Forest, Newport Beach, Placentia, Seal Beach, Villa Park, Claimants
2. *California Regional Water Quality Control Board, San Diego Region, Order No. R9-2009-0002, 10-TC-11*
County of Orange, Orange County Flood Control District, Cities of Dana Point, Laguna Hills, Laguna Niguel, Lake Forest, Mission Viejo, and San Juan Capistrano, Claimants
3. *Central Basin Municipal Water District Governance Reform, 17-TC-02*
Central Basin Municipal Water District, Claimant
4. *Lead Sampling in Schools: Public Water System No. 3710020, 17-TC-03*
City of San Diego, Claimant
5. *Peace Officer Training: Mental Health/Crisis Intervention, 17-TC-06*
Cities of Claremont and South Lake Tahoe, Claimants

B. PARAMETERS AND GUIDELINES

1. *U Visa 918 Form, Victims of Crime: Nonimmigrant Status, 17-TC-01*
City of Claremont, Claimant

C. MANDATE REDETERMINATIONS

1. *High School Exit Examination (00-TC-06), 17-MR-01*
Education Code Sections 60850, 60851, 60853, and 60855; Statutes 1999x, Chapter 1 and Statutes 1999, Chapter 132; California Code of Regulations, Title 5, Sections 1200-1225 (regulations effective July 20, 2001 [Register 01, No. 25] and regulations effective May 1, 2003 [Register 03, No. 18]); as alleged to be modified by Statutes 2015, Chapter 572 (SB 172); and Statutes 2017, Chapter 641 (AB 830)
Department of Finance, Requester
First Hearing – Adequate Showing