

December 30, 2019

Alexis Podesta, Secretary
California Business, Consumer Services and Housing Agency
915 Capitol Mall, Suite 350-A
Sacramento, CA 95814

Dear Ms. Alexis Podesta,

In accordance with the State Leadership Accountability Act (Leadership Accountability), the California Board of Occupational Therapy submits this report on the review of our internal control and monitoring systems for the biennial period ending December 31, 2019.

Should you have any questions please contact Jeff Hanson, Staff Service Manager I, at (916) 263-2092, Jeff.hanson@dca.ca.gov.

GOVERNANCE

Mission and Strategic Plan

MISSION: To protect California consumers of occupational therapy services through effective regulation, licensing and enforcement.

VISION: The California Board of Occupational Therapy, as a model consumer protection agency, aspires to be recognized for our valued commitment to all of our stakeholders.

GOAL 1: Applicant Qualifications - The Board ensures those seeking licensure meet minimum standards of conduct, education, fieldwork and examination.

1.1 - Create and implement "Application Submittal Checklist" guidelines to clarify application requirements and encourage application completeness.

1.2 - Pursue regulatory amendment that would require Occupational Therapists seeking advanced practice approval to complete only Board approved courses, in order to streamline the review process for advanced practice applications.

1.3 - Create and implement a cross-reference table that clarifies the relationship between Professional Development Units, Continuing Education Units, and Continuing Education hours in order to better assist licensees in determining whether or not their continuing education courses meet state requirements.

1.4 - Develop an outreach strategy to educate potential applicants on the Board's licensure process including pre and post-licensure requirements.

GOAL 2: Enforcement - The Board enforces the laws and regulations governing occupational therapy practitioners by effectively investigating complaints, non-compliance and irregularities, and concludes with an appropriate response.

2.1 - Pursue an increase in budgetary authority to secure necessary staffing to improve enforcement processing times.

2.2 - Promulgate regulations that require applicants and licensees to attest to reading the governing

laws and regulations in order to increase familiarity and instill accountability and individual integrity.

2.3 - Expand capacity to manage the increase in both the number of enforcement actions and number of license applications to maintain or increase timely response to consumer complaints and increase consumer protection.

GOAL 3: Outreach and Communication - The Board strives to increase communication, education and outreach efforts to consumers, applicants, licensees, and other stakeholders regarding laws, regulations and the practice of occupational therapy.

3.1 - Communicate the enforcement process and timeline with complainants and respondents by updating the current enforcement process flowcharts to with the disciplinary process timeline and include flowchart in all complaint responses.

3.2 - Develop multimedia (videos, webinars and printed materials), and house them on the Board Web site, that would increase student understanding of the application process and general Board information.

3.3 - Develop multimedia (videos, webinars and printed materials), and house them on the Board Web site, that would educate and inform licensees and consumers about general Board processes, regulatory requirements and practice issues.

3.4 - Implement email address reporting requirement on new applications and license renewals in order to increase access to the licensee population and better communicate Board information.

3.5 - Utilize current social media outlets and technology to increase Board communication to stakeholders by 50%.

3.6 - Secure budgetary authority to increase necessary staffing and resources to establish a Board Outreach Coordinator position.

GOAL 4: Laws and Regulations - The Board modifies, implements and enforces statutes and regulations that strengthen and support the Board's mandate and mission.

4.1 - Promulgate regulations requiring applicants and renewal licensees provide an email address so the Board can increase communication.

4.2 - Research regulatory issues affecting the full range of Occupational Therapy practice settings to address diverse Occupational Therapy service delivery models.

4.3 - Develop an internal and external "Frequently Asked Questions" for staff and for consumers and licensees, respectively, and post to Web site to clarify laws and regulations.

4.4 - Explore the feasibility of a statute amendment that alters the definition of Occupational Therapy to clarify the scope of the Board's oversight over the varying Occupational Therapy capacities.

GOAL 5: Organizational Effectiveness - The Board strives to build an excellent organization through proper Board governance, effective leadership, and responsible management by securing necessary funding and ensuring responsive staff processes.

5.1 - Conduct a workload analysis and compile data to support appropriate Board staffing levels.

5.2 - Devise a plan for knowledge transfer and mentorship opportunities to help facilitate growth and development among Board staff.

5.3 - Create a succession plan that includes all Board positions to increase business continuity, efficiency, and staff acquisition, retention, and development.

Control Environment

Management establishes an effective control environment by demonstrating integrity and ethical values

by adhering to applicable laws and regulations, establishing expectations for staff, and meeting or exceeding performance metrics in Enforcement and Licensing units. Management uses staff meetings, individual meetings, and emails to disseminate changes and updates to Licensing, Cashiering, and Enforcement processes. While the Board has flow charts and written processes and procedures for some business operations; they need to be organized and assembled to produce desk manuals. Also, additional documentation of processes needs to occur.

Another element of an effective control environment includes oversight. e.g. Board staff have oversight by an appointed Executive Officer (EO) who has oversight by appointed Board Members. The (semi-autonomous) Board has oversight by the Department of Consumer Affairs (DCA) and the Business, Consumer Services, and Housing Agency (Agency).

Management is currently recruiting additional staff to fill vacancies that the Board did not previously have adequate office space to accommodate. Board staff is encouraged and directed by management to participate in appropriate training provided by the Department. Management and other senior staff provide mentoring to promote personal growth, expand knowledge base, and identify key staff for continuity and succession. Management evaluates staff performance by reviewing work product, conducting weekly individual meetings, establishing and enforcing processing times and deadlines, and reviews system case status reports and performance metrics. Management provides performance feedback to employees. When warranted, management implements corrective action plans to remediate performance deficiencies.

Information and Communication

Verbal and written communication is used with both internal and external stakeholders. This could include outreach opportunities, use of ListServe and Interested Parties mailing lists, social media (facebook twitter and instagram), etc.

Inefficiencies or inappropriate actions can be reported by employees verbally or in writing.

Information systems relied upon for operational, programmatic and financial information, include Fi\$Cal and BreEZe.

MONITORING

The information included here discusses the entity-wide, continuous process to ensure internal control systems are working as intended. The role of the executive monitoring sponsor includes facilitating and verifying that the California Board of Occupational Therapy monitoring practices are implemented and functioning. The responsibilities as the executive monitoring sponsor(s) have been given to: Heather Martin, Executive Officer.

To ensure the effectiveness of internal control systems, the Board routinely tracks key performance indicators and holds meetings (one-on-one or group, as appropriate) to discuss outcomes and seeks input for process improvements or increased efficiency. Board staff also runs various reports to identify discrepancies and reconcile any irregularities or outliers; these reports also identify vulnerabilities and assist management with responding to performance areas needing improvement. The Board's EO is responsible for facilitating and verifying best practices are implemented and functioning.

RISK ASSESSMENT PROCESS

The following personnel were involved in the California Board of Occupational Therapy risk assessment process: executive management, middle management, and staff.

The following methods were used to identify risks: brainstorming meetings, other/prior risk assessments, and performance metrics.

The following criteria were used to rank risks: likelihood of occurrence, and potential impact to mission/goals/objectives.

RISKS AND CONTROLS

Risk: Excessive Leave Balance Vulnerabilities

Two of the Board's employees who are eligible for retirement have leave balances that exceed the maximum vacation/annual leave balance allowed. These employees continue to accrue leave time at the rate of 14-16 hours per month. Retirements would result in more than a \$40-50k payout per person from the Board's budget.

The Board hired one employee from another department that carried excessive leave balances. The other position that carries an excess leave balance is the Board's Enforcement Manager which has had difficulty reducing balances due to operational requirements and needs.

Control: Vacation/Annual Leave Use Plan

In compliance with CalHR's Online manual Section 2124, all employees who exceed the maximum number of hours (640 hrs) complete an Excess Vacation/Annual Leave Use Plan each year. Management will continue to monitor the staff member's plan, the EO will monitor the manager's plan, and the Board President will monitor the EO's plan.

Risk: Fi\$Cal Impacts to Operations and Decision Making

Accurate and timely revenue and expenditure reports are not currently available from the Fi\$Cal system and this ultimately results in DCA being unable to produce timely reconciled monthly and year-end financial statements to Boards. Specifically, the Board is unable to access timely reports and readily validate the accuracy of data postings. This results in information lags as well as in poor, and inaccurate, real-time reporting to the Board. Further, reports generated from the system often track awkward reconciliation points or contain incomplete or not user-friendly data. Accurate and usable reports are needed to make prudent budget and operational decisions. Special funds often have structural funding concerns, so understanding cash balances and expenditure status is essential. Board staff, as a result, often manually track unresolved Fi\$Cal issues in hopes of providing better real time data to executive level managers. This adds significant staff time, and the manual preparation of reports outside of the system opens the Board up to a larger opportunity for making unintended errors.

Control: Elevating Issues to DCA

The Board is in communication with DCA on a regular basis to resolve open items which include posting corrections, programming concerns, and report suggestions within the system.

Control: Independently Tracking Data

The Board relies on data tracking outside of the Fi\$cal system and regularly works with budget, accounting, and business services staff at DCA to track issues and make forecasting projections. This information is often utilized for meeting materials. Additionally, the Board requests information as needed from DCA to try to identify and fix errors.

Risk: Insufficient Pool of Expert Witnesses

The Board relies on Expert Witnesses to review information regarding alleged practice violations. Expert Witnesses are licensees who are contracted by the Board to provide a high level of practice-related expertise. They review information (e.g. medical records, billing information, etc.) and provide an objective evaluation and render a written opinion on whether a deviation in practice standards or a violation has occurred. The risk of not having a sufficient pool of experts with experience in the various areas of practice (pediatrics, rehabilitation, private practice, hand therapy, wellness, mental health, etc.) could delay the administrative discipline process and thereby jeopardize public safety. The cause of this risk can be attributed to the numerous areas of practice, some of which are identified above, that encompass occupational therapy, geographic proximity, and perceived negative implications and repercussions in rendering an opinion on a fellow colleagues' practice.

Control: Outreach to Potential Expert Witnesses

The Board has provided information on its website regarding how a practitioner can become an Expert Witness. This includes the qualification requirements, a video of a licensee explaining the process, and the application to become an Expert Witness.

The Board also uses social media along with staff outreach opportunities to inform the licensing population of the need for their expertise and the opportunity to assist the Board with its public protection mandate.

CONCLUSION

The California Board of Occupational Therapy strives to reduce the risks inherent in our work and accepts the responsibility to continuously improve by addressing newly recognized risks and revising risk mitigation strategies as appropriate. I certify our internal control and monitoring systems are adequate to identify and address current and potential risks facing the organization.

Heather Martin, Executive Officer

CC: California Legislature [Senate (2), Assembly (1)]
California State Auditor
California State Library
California State Controller
Director of California Department of Finance
Secretary of California Government Operations Agency