

December 31, 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 Board of Behavioral Sciences 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 Marc Mason, Administrative Manager, at (916) 574-7828, [Marc.Mason@dca.ca.gov](mailto:Marc.Mason@dca.ca.gov).

## **GOVERNANCE**

### **Mission and Strategic Plan**

The mission of the Board of Behavioral Sciences (Board) is to protect and serve Californians by setting, communicating, and enforcing standards for safe and competent mental health practices.

**GOAL 1: LICENSING** Establish licensing standards to protect consumers and allow reasonable and timely access to the profession.

- 1.1 Identify and implement enhanced communication during the application process to respond to stakeholder concerns regarding communication between applicant and the Board.
- 1.2 Improve and expand the Board's virtual online BreZze1 functionality to provide applicants with the precise status of their applications and license.
- 1.3 Research and explore a comprehensive online application process to improve efficiency.
- 1.4 Evaluate and revise current laws and regulations relating to licensure portability to increase consumer access to mental health care.

**GOAL 2: EXAMINATION** Administer fair, valid, comprehensive, and relevant licensing examinations.

- 2.1 Improve the efficiency and reduce processing times to streamline the online exam application.
- 2.2 Explore methods to improve the candidate's exam experience to address concerns relating to quality and customer service.
- 2.3 Improve the Board's examination study materials to increase access to exam preparation.
- 2.4 Evaluate the Association of Marriage and Family Therapy Regulatory Boards (AMFTRB) national examination to determine if appropriate for use in California.

**GOAL 3: ENFORCEMENT** Protect the health and safety of consumers through the enforcement of laws.

3.1 Explore the feasibility of additional staff resources to address the increase in number of licensees placed on probation.

3.2 Educate registrants and licensees about general legal requirements and consequences to practitioners who fail to adhere to these legal requirements.

3.3 Educate the Deputy Attorneys General and Administrative Law Judges regarding the disease of addiction and substance abuse to increase their awareness during the discipline process.

3.4 Establish uniform standards and templates for reports and evaluations submitted by the subject matter experts to the Board related to disciplinary matters.

**GOAL 4: LEGISLATION AND REGULATION** Ensure the statutes, regulations, policies, and procedures strengthen the Board's mandate and mission.

4.1 Pursue legislation to implement the recommendations of the License Portability Committee to improve license portability.

4.2 Reorganize the statutes and regulations specific to each Board license type to improve understanding of applicable statutes and regulations. 4.3 Continue to review statutory parameters for exempt settings and modify, if necessary, to ensure adequate public protection.

4.4 Explore the feasibility of improving the law and ethics renewal requirements to inform licensees about updates in relevant laws.

4.5 Review and update existing telehealth regulations to improve consumer protection and access to services.

**GOAL 5: ORGANIZATIONAL EFFECTIVENESS** Build an excellent organization through proper Board governance, effective leadership, and responsible management.

5.1 Implement a strategic succession plan of Board staff to ensure the continued success of the Board's operations.

5.2 Support DCA efforts to contract with independent organizations to perform occupational analyses and salary surveys of management-level positions equivalent to the Executive Officer and Bureau Chief classifications to enhance the Board's ability to attract and retain competitive applicants.

5.3 Explore the feasibility of hiring in-house counsel to ensure consistency in the application of law.

5.4 Explore the feasibility of hiring a media and Internet technology specialist to increase consistency in messaging to stakeholders.

5.5 Improve customer service with stakeholders to expand (or support) effective communication and accessibility to the Board.

**GOAL 6: OUTREACH AND EDUCATION** Engage stakeholders through continuous communication about the practice and regulation of the professions, and mental health care.

6.1 Explore modalities of communication to expand and increase outreach.

6.2 Advocate to increase Board presence at national professional association meetings to enhance awareness of national trends and best practices.

6.3 Develop an outreach program to educate the public about the benefits of mental health care to reduce barriers and destigmatize mental health care.

6.4 Explore opportunities to coordinate with stakeholders to increase the diversity of mental health practitioners to better serve California's diverse population.

6.5 Improve outreach activities to educational institutions, students, and applicants to educate incoming registrants of application requirements for licensure.

### **Control Environment**

At the Board, management is expected to demonstrate, through their own habits, integrity and ethical values. Oversight of the Board's Executive Officer (EO) is provided by the Board. The Executive Officer provides oversight of the Assistant Executive Officer (AEO). Both the Executive Officer and the Assistant Executive Officer provide oversight to the Staff Services Managers who in turn oversee the staff.

All Board staff are required to read and sign the Board's Office Guidelines which detail the Board's values and rules of conduct.

With new employees management follows state Human Resources probation guidelines to evaluate staff performance and enforce accountability. Once a staff member passes probation Management uses Individual Development Plans to identify areas of improvement and possible training opportunities. The Department of Consumer Affairs offers a variety of training that the Board regularly makes use of.

### **Information and Communication**

The Board employs one Associate Governmental Program (AGPA) Analyst who is responsible for evaluating and maintaining the Board's operational budget. This analyst communicates with all of the Board's units about budget needs, and then communicates these needs to the EO and AEO.

The Board employs one AGPA Legislative Analyst and one Regulatory Analyst, both of whom work with external stakeholders and internal staff to identify issues, inefficiencies, and problems both internal and external to the Board that can be solved through process changes and changes to statutory or regulatory language.

Board Managers (Staff Services Manager I) hold regular meetings with employees where employees are encouraged to identify and report on inefficiencies and problems. All Managers are expected to maintain an "open door" policy at all times as well. In addition to this the EO and AEO hold weekly meetings both in groups and one on one where managers are asked to report on any issues, problems, or inefficiencies.

### **MONITORING**

The information included here discusses the entity-wide, continuous process to ensure internal control

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systems are working as intended. The role of the executive monitoring sponsor includes facilitating and verifying that the Board of Behavioral Sciences monitoring practices are implemented and functioning. The responsibilities as the executive monitoring sponsor(s) have been given to:  
Marc Mason, Administrative Manager.

The Board consistently monitors activities for inefficiencies, problems, and productivity. Every month a Loss of Productivity Report is compiled and sent out. This report details (in aggregate) loss of productivity due to unplanned absences. In addition to this the processing times for all license types is monitored closely and detailed in a report so that inefficiencies and slowdowns can be caught quickly. For HR issues, including especially the quick refilling of vital positions, a report on all vacancies and recruitment is maintained on a monthly basis.

If Management detects slowdowns in productivity via the Loss of Productivity Report management determines if the loss of productivity is due to excused absences or due to unexcused absences. If the loss is due to excused absences Management will evaluate the situation and determine if staff from other areas need to or can be redeployed to address shortfalls. If the loss of productivity is determined to be caused by unexcused absences Management begins the progressive discipline process and determine whether or not redeployment of staff is necessary.

If Management notices slowdowns on the processing timelines chart Management will determine whether there is an increase of volume causing the slowdowns or if there is something else causing the slowdowns and take measures to address the slowdown.

## **RISK ASSESSMENT PROCESS**

The following personnel were involved in the Board of Behavioral Sciences risk assessment process: executive management, middle management, front line management, and staff.

The following methods were used to identify risks: brainstorming meetings, ongoing monitoring activities, external stakeholders, consideration of potential fraud, and performance metrics.

The following criteria were used to rank risks: likelihood of occurrence, potential impact to mission/goals/objectives, timing of potential event, and tolerance level for the type of risk.

## **RISKS AND CONTROLS**

### **Risk: Structural Fiscal Imbalance**

The Board's fee structure does not reflect the cost of operations. This results in a structural imbalance which has the potential to cripple or slow critical licensing and enforcement operations.

#### **Control: Fee Increase**

The Board had an external audit of its fees and operational costs completed in 2019 which indicated that our fees need to be raised. At the November 2019 Board meeting Board staff proposed legislative language that will implement the recommendations of the fee audit.

### **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 Board. 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: 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.

### **CONCLUSION**

The Board of Behavioral Sciences 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.

**Kim Madsen, 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