

December 21, 2023

Melinda Grant, Undersecretary
California Business, Consumer Services and Housing Agency
500 Capitol Mall, Suite 1850
Sacramento, CA 95814

Dear Undersecretary Melinda Grant,

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, 2023.

Should you have any questions please contact Marc Mason, Administrative Manager, at (916) 574-7828, Marc.Mason@dca.ca.gov.

GOVERNANCE

Mission and Strategic Plan

The mission of the Board is to protect and serve Californians by setting, communicating, and enforcing standards for safe and competent mental health practices. The Board fulfills its mission through its strategic plan by focusing on the following strategic goals:

Goal 1: Licensing

Establish licensing standards to protect consumers and allow reasonable and timely access to the profession.

Goal 2: Examination

Administer fair, valid, comprehensive, and relevant licensing examinations.

Goal 3: Enforcement

Protect the health and safety of consumers through the enforcement of laws.

Goal 4: Legislation and Regulation

Ensure the statutes, regulations, policies, and procedures strengthen the Board's mandates and mission.

Goal 5: Organizational Effectiveness

Build an excellent organization through proper Board governance, effective leadership, and responsible management.

Goal 6: Outreach and Education

Engage stakeholders through continuous communication about the practice and regulation of the professions and mental health care.

Control Environment

The Board's Executive Officer and management staff are responsible for establishing and maintaining the internal control environment, which sets the tone for the staff. Management demonstrates a commitment to integrity and ethical values. The Board has a clearly defined organizational structure, and all staff have defined duties as outlined in duty statements, so they are able to understand their roles and responsibilities within the Board. The Board has written processes and procedures, and management are readily available when further direction, clarification, or assistance is needed.

All staff are required to take mandatory training such as sexual harassment prevention training and to follow Departmental policies such as non-discrimination, conflict of interest, and workplace violence.

Information and Communication

On a quarterly basis, Board staff proactively engages with the Board to provide comprehensive updates on its operational, programmatic, and financial aspects.

Internally, the Board benefits from a robust multi-tiered communication strategy. This encompasses regular unit meetings, monthly all-staff gatherings, frequent email communication from the Executive Officer to the Board, and quarterly management meetings. Externally, the Board maintains an active online presence through its quarterly newsletter, Facebook and Twitter accounts, and continuous updates on its website.

To enhance stakeholder engagement, the Board conducts its quarterly meetings via webcast, ensuring broad participation and offering access to these meetings in real time. Additionally, staff members have the opportunity to raise programmatic concerns and address inefficiencies through various channels, including staff meetings, unit meetings, and biweekly one-on-one discussions with their immediate supervisors.

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 Board of Behavioral Sciences monitoring practices are implemented and functioning. The responsibilities as the executive monitoring sponsor(s) have been given to: Steve Sodergren, Executive Officer and Marlon McManus, Assistant Executive Officer. Board management routinely meets one-on-one with staff to identify programmatic problems to enable management to respond to vulnerabilities. Management performs ongoing reviews of completed staff work. The Board conducts an annual evaluation of the Executive Officer's performance, which reflects on the program's overall performance. The Board periodically

undergoes comprehensive review of operations by external entities, such as DCA, the Bureau of State Audits, and the State Legislature (Sunset Review). Program assessment is routine and ongoing, providing sufficient opportunity for program improvement as vulnerabilities are identified. As vulnerabilities are identified, appropriate staff is assigned to address the vulnerability. .

1. **Monitoring:** Regular monitoring of internal controls is conducted. This includes internal audits, compliance reviews, and ongoing assessment of control. These activities help in identifying control weaknesses or areas that require improvement.
2. **Management Response:** When vulnerabilities or control deficiencies are identified, management responds. Responses may include revising control procedures, implementing new controls, or modifying existing processes to address the vulnerabilities.
3. **Corrective Action Plans:** When significant vulnerabilities are discovered, corrective action plans are developed. These plans outline the steps to be taken to rectify the issues and strengthen internal. Responsibilities and timelines are clearly defined within these plans.
4. **Training and Awareness:** Staff and stakeholders are provided with training and awareness programs to ensure they understand the risks and controls relevant to their roles. This promotes a culture of risk awareness and responsibility throughout the
5. **Continuous Improvement:** The risk management and internal control systems are subject to continuous improvement. Lessons learned from past incidents and risk assessments are used to refine and enhance the control environment.
6. **Communication and Transparency:** Effective communication channels are established to keep all relevant stakeholders informed about the status of internal controls and risk management. Transparency in reporting vulnerabilities and progress on corrective actions fosters accountability.
7. **External Audits and Reviews:** External auditors and regulators may also assess the effectiveness of internal controls and risk management. Their findings and recommendations are considered and integrated into the organization's response to

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, audit/review results, and performance metrics.

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

RISKS AND CONTROLS

Risk: Staff Recruitment and Retention

The Board relies exclusively on its staff experts without a backup plan in place to cover absences. Due to the Board's size, it faces constraints that makes it difficult to allocate time for cross-training personnel. The scarcity and specialization of available positions within the Board further compounds the challenge of cross-training existing staff or new staff members.

The Board also has some specialized positions that are currently classified at the analyst level. The Board believes it should reassess the duties of these positions and reclassify them, as appropriate. Unfortunately, long-term absences or vacant positions within the Board can result in work stoppages and cause disruptions to Board operations.

Control: Board Re-Organization

Board management and staff are working in conjunction with the Department of Consumer Affairs' Office of Human Resources to address a reorganization of the Board's structure and possible reclassifications, as appropriate.

Risk: Significant Paper Files

An event that causes the Board's physical files to become inaccessible would likely cause an interruption to Board business operations.

Staff would be unable to access licensing, renewal, continuing education, and complaint files.

Control: Environmentally Friendly

The Board is transitioning to a more environmentally friendly and cost-efficient system for initial licensing and renewal applications. This involves reducing the use of printed paper materials. A crucial aspect of this strategy is the migration of essential licensing and renewal functions to online platforms, alongside the discontinuation of paper-based versions.

In addition to being eco-friendly, this transition will ensure Board staff has access to all needed applications and forms regardless of staff location. This provides a failsafe if Board staff were to lose access to the physical office.

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.

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Steve Sodergren, Executive Officer

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