



California Department of Consumer Affairs Board of Vocational Nursing and Psychiatric Technicians Operational Audit

*DCA Internal Audit Office
Report 2014-108
March 2016*



March 21, 2016

Kameka Brown, Executive Director
Board of Vocational Nursing & Psychiatric Technicians
2535 Capitol Oaks Drive, Ste. 205
Sacramento, CA 95833

Subject: Final Audit Report of the Operational Audit –Board of Vocational Nursing and Psychiatric Technicians

Dear Ms. Brown:

Enclosed please find our final audit report for the Board of Vocational Nursing and Psychiatric Technicians (BVNPT). The audit was performed at the request of the DCA Audit Committee to provide an assessment of the boards operations and internal controls. The audit test period was July 1, 2013, through June 30, 2014. The last day of field work was December 16, 2015.

We received your response on March 14, 2016 and have included it in the report as Attachment I. As outlined in your response, the Board of Vocational Nursing & Psychiatric Technicians concurs with our audit findings and has taken action or plans to take corrective actions to improve its operations. We have provided our comments to the board's response included in this report as Attachment II.

We will return to BVNPT for follow-up reviews after 180-days and 360-days from the date of the final report to evaluate your progress in implementing the audit recommendations.

We appreciate the cooperation extended by BVNPT staff during the course of the audit. If you have any questions, please contact me at (916) 574-8192.

Sincerely,

A handwritten signature in blue ink, appearing to read "Annecia Wallace".

Annecia Wallace
DCA Internal Audit Chief

cc: Awet Kidane, Director
Tracy Rhine, Chief Deputy Director
Enclosure: Final Audit Report of the Operational Audit – Board of Vocational Nursing & Psychiatric Technicians

Table of Contents

Report Summary	1
Background	5
Objectives, Scope and Methodology	7
Findings and Recommendations	
• Strategic Plan	8
• Policies and Procedures	9
• Vacancies	9
• Duty Statements	10
• Training & Development	11
• Overtime Usage	12
• CORI (DOJ Live Scan)	13
• File Maintenance & Record Management	14
• Safeguarding Social Security Numbers	15
• Safeguarding Assets	16
• Safe Combination	17
• Pre-Listing of Negotiable Instruments	18
• Dishonored Checks	18
<u>Licensing Unit</u>	
• Licensing Processing Time	20
• 12 th Grade Education	20
• Continuing Education	21

Enforcement Unit

- Time Enforcement 24
- Staff Whereabouts 25

BVNPT Response Attachment I

Auditor's Comments on the Board's Response Attachment II

Report Summary

The Department of Consumer Affairs' (department) Internal Audit Office completed an operational audit of the Board of Vocational Nursing and Psychiatric Technicians (board). Our audit examined the board's strategic planning process, personnel, cashiering, licensing, and enforcement operations.

The Board of Vocational Nursing was established in 1951 and, in 1959, merged with the Psychiatric Technician program to become the California Board of Vocational Nursing and Psychiatric Technicians (BVNPT). The board's mission is to protect the public by licensing, implementing regulations and disciplinary functions. The board is to ensure that only qualified persons are licensed vocational nurses and psychiatric technicians by enforcing education requirements, standards of practice and educate consumers of their rights.

The jurisdiction of the Board is mandated by the Vocational Nursing Practice Act (VNPA), Business and Professions Code (B&PC), Division 2, Chapter 6.5, Sections 2840-2895.5, and Psychiatric Technician Law (PTL) B&PC Division 2, Chapter 10, Sections 45004548, which are implemented and enforced by the BVNPT.

As reported in 2015, the board regulates 129,515 licensed vocational nurses (LVNs) and 13,469 psychiatric technicians (PTs); 182 vocational nursing (VN) programs and 17 PT programs. LVNs and PTs care for clients at multiple locations. These include hospitals, clinics, nursing homes, home care, licensed community care homes, state and community based psychiatric facilities and prisons. PTs also care for the developmentally challenged and mentally disordered clients/patients found in the above settings.

To evaluate the board's operations, we interviewed pertinent personnel, and reviewed relevant documentation and processes. We performed compliance testing of key functions and compared actual operations to applicable laws, regulations, and guidelines. Our audit test period was from July 1, 2013, through June 30, 2014. Our last day of audit fieldwork was December 16, 2015.

Our audit revealed the board has several operational deficiencies in its core business operations. The following audit issues are addressed in greater detail under the Findings and Recommendations section of this report:

1. The Strategic Plan is missing key components (i.e. vision, action plan, performance measurements, monitoring and tracking).

Recommendation: Use the Department of Finance Strategic Planning Guidelines to ensure that all components are specified in the strategic plan.

2. Policies, procedures, and desk procedures are outdated and do not reflect accurate information.

Recommendation: Create and/or update desk procedures, flowcharts, policies and procedures.

3. The board has multiple vacancies that go unfilled for more than six months.

Recommendation: Fill vacant positions within six months.

4. Duty statements are not always accurate and properly completed.

Recommendation: Update duty statements according to DCA's Department Procedure Memorandum and ensure that all employees have received, read, understand and have signed a copy of their current duty statement.

5. Employees are not receiving an adequate amount of training to effectively and efficiently do their jobs.

Recommendation: Follow DCA's policy for training and development by providing an efficient amount of training to all employees.

6. There is excessive overtime usage within the board. Written approval of overtime is not documented.

Recommendation: Overtime should be kept to a minimum and not used as a regularly scheduled feature of the job. Additionally, ensure that all overtime usage has prior written approval signed off by a supervisor and/or manager and kept for future reference.

7. BVNPT inadequately stores and secures sensitive Live Scan Criminal Offender Record Information (CORI).

Recommendation: Ensure that CORI/Live Scan information is properly secured, destroyed and limited to employees with approved DOJ clearance.

8. There is inadequate file maintenance and record management.

Recommendation: Ensure that all documents are filed in licensee files. Create and implement internal policies and procedures regarding file maintenance and records management. Train all employees regarding the expectations of the policies and procedures.

9. The board is not adequately safeguarding the social security numbers of applicants and licensees.

Recommendation: Follow all guidelines specified in DCA's DPM regarding safeguarding social security numbers.

10. There are multiple deficiencies regarding safeguarding of state assets (i.e. keys issued, employee access, and process for securing negotiable instruments).

Recommendation: Properly secure all processed and unprocessed assets and negotiable instruments. Furthermore, limit room access and key distribution to only the staff requiring access.

11. The board does not document and/or keep a record showing when the combination of the safe was last changed and the name(s) of the employees with access to the safe.

Recommendation: Document and keep record(s) of all changes regarding when the combination was last changed and all individuals with knowledge of the combination.

12. Incoming collections of negotiable instruments (i.e. checks, money orders) are not documented by the person(s) opening the mail.

Recommendation: Document all negotiable instruments opened by the board's mailroom and/or person(s) opening the mail in accordance to SAM.

13. There are multiple deficiencies regarding dishonored checks (i.e. amount of uncollected dishonored checks, inadequate process for collections procedure and fee assessment, etc.).

Recommendation: Establish written policies and guidelines regarding dishonored checks and train employees. Ensure that all collection letters are sent in accordance to SAM.

14. The board does not process initial licenses for Vocational Nursing and Psychiatric Technicians applicants within the maximum period of time allotted. Additionally, the reporting time for renewals is inaccurate due to unviewed continuing education documents.

Recommendation: Process licenses within the allotted timeframes. Review all continuing education documents submitted by licensees prior to approving a license renewal.

15. The board does not always validate that applicants have successfully completed at least a high school diploma or an acceptable GED certificate when approving applications for licensing.

Recommendation: Ensure that all licensing requirements are met when approving an applicant to be licensed.

16. There are multiple deficiencies regarding continuing education (i.e. reviewing of documents, filing, submitting documents for online renewals, policies, procedures and processes, etc.).

Recommendation: Ensure that all continuing education information submitted during the renewal process is reviewed and meets all requirements when determining the renewal approval of a licensee. Create, maintain and monitor tracking document(s) used for continuing education auditing. File all renewal documents in the appropriate licensee file folder.

17. Complaints filed against licensees are not always processed within one year (12 months). There is no system for prioritizing complaint cases. Lastly, there are long delays in posting disciplinary actions on the board's website.

Recommendation: Ensure that the complaint process is reviewed and reevaluated on a regular basis to allow for effective and efficient processing. Additionally, process all complaints within one year. Lastly, ensure that complaint results are promptly displayed on the website.

18. Field staff investigator whereabouts, schedules, and projects are not always known to supervisors and/or managers.

Recommendation: Establish and communicate written policies and procedures for all employees to follow when working outside of the office and monitor for compliance.

Background

The Board of Vocational Nursing was established in 1951 and in 1959, merged with the Psychiatric Technician program to become the California Board of Vocational Nursing and Psychiatric Technicians (BVNPT). The board's mission is to protect the public by licensing, implementing regulations and disciplinary functions. The board is to ensure that only qualified persons are licensed vocational nurses and psychiatric technicians by enforcing education requirements, standards of practice and educate consumers of their rights.

The jurisdiction of the board is mandated by the Vocational Nursing Practice Act (VNPA), Business and Professions Code (B&PC), Division 2, Chapter 6.5, Sections 2840 - 2895.5, and Psychiatric Technician Law (PTL) B&PC Division 2, Chapter 10, Sections 4500 - 4548, which are implemented and enforced by the BVNPT.

As reported in 2015, the board regulates 129,515 licensed vocational nurses (LVNs) and 13,469 psychiatric technicians (PTs); 182 vocational nursing (VN) programs and 17 PT programs. LVNs and PTs care for clients at multiple locations. These include hospitals, clinics, nursing homes, home care, licensed community care homes, state and community based psychiatric facilities and prisons. PTs also care for the developmentally challenged and mentally disordered clients/patients found in the above settings.

BVNPT is a special fund agency. It derives all of its operating revenue from its licensees and applicants. No money is received from the General Fund. The board has 67.9 authorized positions (57.5 VN Program; 10.4 PT Program) and a total budget of \$12.7 million (\$10.6 million VN Program; \$2.1 million PT program).

The licensing and examinations division is responsible for examination and licensure of over 9,500 VN applicants and 1,000 PT applicants annually. The board contracts with the National Council of State Boards of Nursing, Inc. for the year-round computer-adaptive vocational nurse licensure examination (NCLEX) administered at over 200 test centers nationwide. There is no national licensure examination for PTs; the board develops and administers a year-round computer-administered examination to approximately 1,000 applicants annually at 24 test centers.

The enforcement division currently regulates the practice of licensed vocational nurses and psychiatric technicians in the State of California. The board has authority to revoke, suspend, or place on probation any license if the licensee has violated a provision of the law governing the profession (Business and Professions Code, Division 2, Chapter 6.5, Article 3). Additionally, the board has authority to deny licensure to anyone convicted of a crime substantially related to the profession or who has done any act which, if done by a licensee, would be grounds for revocation or suspension of the license.

The board enforcement program is to ensure that timely and appropriate disciplinary action is taken against unprofessional, incompetent, or grossly negligent practitioners. The board utilizes the services of the Department of Consumer Affairs' (DCA) Division of Investigation (DOI), the Attorney General's (AG) Office and the Office of Administrative Hearings (OAH) to ensure that disciplinary actions are handled in a fair and judicious manner.

Our audit identified areas where controls were in place and working as intended. However, we also found where internal controls could be improved. If left uncorrected, these conditions increase the risk of inadequate internal controls, misappropriation, errors or irregularities occurring.

Objectives, Scope and Methodology

The objectives and scope of this audit were to determine:

- Whether the board has a sound strategic planning process to evaluate its operation;
- Whether established policies and procedures exist to guide staff in effectively handling operation activities;
- Whether there are adequate internal controls; and
- Whether the board has complied with applicable laws and regulations.

The following procedures were performed to address the audit objectives:

- Interviewed key personnel, including BVNPT staff to obtain their perspectives;
- Reviewed available written policies and procedures governing BVNPT's operations;
- Reviewed prior audit reports;
- Tested the administrative internal control processes to determine if they are in accordance with the state and federal laws; and
- Determined whether the board has adequate internal controls established for processing licenses and enforcement complaints.

Findings and Recommendations

1. Strategic Plan

There is a 2015 strategic plan; however it is missing the following key components:

- Vision – there's no compelling, conceptual, vivid image of the desired future.
- Action Plan - there's no detailed description of the key strategies used to implement each objective.
- Performance Measurements – there's no method for measuring results and ensuring accountability.
- Monitoring and Tracking - there's no system listed to monitor progress, compile management information and keep the plan on track.

Department of Finance Strategic Planning Guidelines, states, "There are several key components that are usually included in a plan; these include the internal/external assessment, mission statement, principles, vision goals, objectives, performance measures, and action plans. Additionally, there are specific steps to be taken to (a) develop and implement the plan and (b) track and monitor progress."

DCA Memorandum, Enforcement Performance Measure Update and Guidelines for Setting Targets, May 12, 2010, states in part, "All boards and bureaus are being asked to set targets for the new enforcement measures...The other enforcement measures for which you will need to set targets are the following:

- Intake Cycle Time
- Cycle Time of Closed Cases Not Resulting in Formal Discipline
- Customer Satisfaction
- Initial Contact Cycle Time
- Violation Cycle Time...

There is no preferred or single formula for setting performance targets. The following simple guidelines for setting targets are based on information from Harvard Business Review:

- Establish a three-point range of targets for your metrics.
- Involve your employees.
- Consider trends to establish a target baseline.
- Get input from the Executive Office and your board members.
- Use Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis.
- Gather feedback from customers and other stakeholders.
- Consider other government agency averages where applicable.
- Identify initiatives."

This results in the board's diminished ability of having a systematic strategy in place to meet their long range goals, objectives, and needs.

Recommendation:

The board should take the following actions:

- Use the Department of Finance Strategic Planning Guidelines as a reference.
- Develop a strategic plan with specific target dates to implement its goals.
- Develop a monitoring and tracking system to ensure the established goals are met and modified as needed.
- Develop measurable/quantifiable targets for accomplishments of its goals.
- Work with the department's SOLID Unit for assistance in development of a strategic plan that includes all of the vital elements for having an efficient plan.

2. Policies and Procedures

Policies, procedures, and desk procedures are outdated and do not reflect accurate information.

SAM 20050 states in part, "Each system an entity maintains to regulate and guide operations should be documented through flowcharts, narratives, desk procedures, and organizational charts."

Government Code 13403 states in part, "internal accounting and administrative controls are the methods through which state entity heads can give reasonable assurance that measures to safeguard assets, check the accuracy and reliability of accounting data, promote operational efficiency, and encourage adherence to prescribed managerial policies are being followed."

This results in non-existent, inaccurate and unreliable information being communicated to staff. This jeopardizes their ability to perform their responsibilities as required.

Recommendation:

Create and/or update desk procedures, flowcharts, policies and procedures. Additionally, follow SAM 20050, internal control components (Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring).

3. Vacancies

During the audit period, July 1, 2013 through June 30, 2014, the board had multiple vacancies that have gone unfilled for more than six months. Additionally, positions are redirected and transferred in order to circumvent the abolishment of the positions.

California Government Code, Article 2. Duties - Section 12439 states the following:

“(a) Beginning July 1, 2002, any state position that is vacant for six consecutive monthly pay periods shall be abolished by the Controller on the following July 1. The six consecutive monthly pay periods may occur entirely within one fiscal year or between two consecutive fiscal years...”

This condition results in inaccurate vacancy reporting that can misrepresent the staffing needs of the board. Additionally, lengthy vacancies can impact the effectiveness and efficiency of work completed by the board. Furthermore, it could also create an increased workload for the remaining employees.

Recommendation:

Fill vacant positions within six months. Additionally, avoid circumventing the abolishment of positions by following the requirements of the Government Code to reestablish any lost positions.

4. Duty Statements

Duty statements are not always accurate and properly completed. For example, duty statements were not prepared on the currently approved form HR-41 (new 05/04), did not include the effective date the position was filled, and did not include current and/or accurate duties performed by employees.

Department of Consumer Affairs, Departmental Procedures Memorandum Personnel, Subject: Duty Statements, Number: DPM-PERS 04-04 states the following:

“The purpose of this Departmental Procedures Memorandum (DPM) is to advise all managers/supervisors of the requirement to establish duty statements for all employees of the Department of Consumer Affairs (DCA), which identify the essential/marginal job functions and accurately describe every position within the Department.”

“The position duty statement is a description of the tasks, functions and responsibilities of the position to which the employee is assigned. A duty statement:

- Identifies the duties of a position.
- Identifies the Essential and Marginal functions of a position.
- Serves as a basis for performance evaluations.
- Identifies training needs.
- Communicates to the employee the clear expectations of the job.

The evaluation of performance, in conjunction with the essential job functions, clearly focuses the employee and supervisor on the performance requirements of the job as well as the employee's strengths and weaknesses in performing it.

- Allows Managers and Supervisors to manage, control and distribute workload.
- Helps to avoid Out-of-Class situations.
- Assists in evaluating requests for Reasonable Accommodation.”

The lack of current duty statements increases the likelihood that staff are unaware of the tasks, functions and responsibilities of the position to which the employee is assigned. Additionally, it is difficult for management to evaluate an employee's performance and training needs. Furthermore, it challenges management's ability to identify employees working in out-of-class situations.

Recommendation:

Update duty statements according to DCA's Department Procedure Memorandum and ensure that all employees have received, read, understand and have signed a copy of their current duty statement.

5. Training & Development

Employees are not receiving an adequate amount of training to effectively and efficiently do their jobs. Fifty-six percent of the employees surveyed do not believe they have the tools and resources needed to do their jobs. Additionally, employees believe that the board offers limited training to both new and existing employees. Lastly, the employees receive limited and/or no cross-training when asked to work areas outside of their job descriptions.

Department of Consumer Affairs, Training and Development Policy, SLD 15-01, states in part:

POLICY

“It is the policy of the Department of Consumer Affairs (“DCA” or “Department”) to provide quality service to the public by developing the knowledge, skills, and abilities of its employees through training. Such training will be economical, effective, and consistent with the interests of the public, the State, and employees.

Training opportunities shall be based on organizational needs, job requirements or job performance, the individual's interest in personal development, and available time and fiscal resources.”

PROVISIONS

“Managers and supervisors are responsible for identifying the training needs of their subordinates through performance evaluations and Individual Development Plans (IDP), and for recommending training that helps employees meet minimum job performance standards for their current positions...”

All DCA employees shall have equal access to training that helps them achieve minimum job performance standards.”

The lack of training results in employee’s limited ability to develop knowledge and skills to properly do their job. Additionally, it decreases the board’s assurance that quality service is being offered in the interests of the public, the State, and individual employees. Furthermore, when employees are not adequately cross-trained it increases the amount of backlogged work when employees use sick leave, vacation time or the position becomes vacant.

Recommendation:

Follow DCA’s policy for training and development by providing an efficient amount of training to all employees. Ensure that when employee’s job descriptions are updated and/or changed that they receive the proper training that enables them to achieve their minimum job standards.

6. Overtime Usage

There is excessive overtime usage within the board. A total of 6636.75 hours were used during a 10 month period of time between July 2014 and April 2015. The enforcement and licensing departments used 91% of the overtime during this period. Additionally, employees are working overtime without prior written approval from a supervisor and/or manager.

State Administration Manual, Overtime 8540, states in part, “As a general practice, compensation for overtime, either by cash payment or time off, should be based upon prior written approval signed by a designated supervisor. It should also be authorized and issued in accordance with bargaining unit agreements.”

Personnel Procedures Handbook Chapter 1200 Overtime, states in part, “Overtime is authorized time worked in excess of the regularly scheduled workweek. The amount of overtime should be kept to a minimum through the use of sound management practices and planning. Overtime should not be a regularly scheduled feature of the job.”

BVNPT Annual Staff Meeting March 26, 2014, states in part, "Employees must submit a memorandum specifying the assignment to be completed and the date and time period in which the overtime is to take place."

Excessive amounts of overtime can be detrimental to the state as well as to its employees. Excessive overtime can be more costly to the state than hiring additional employees because of the overtime rate of pay compared to the normal rate of pay. Additionally, excessive use of overtime can lead to increased employee turnover, sick usage, workplace injuries, disability claims, and loss of productivity.

Recommendation:

Overtime should be kept to a minimum and not used as a regularly scheduled feature of the job. Additionally, create overtime policies and procedures for management and staff to follow. Lastly, ensure that all overtime usage has prior written approval signed off by a supervisor and/or manager and kept for future reference.

7. CORI (DOJ Live Scan)

The board inadequately stores and secures sensitive CORI (Live Scan) information. CORI information is kept in licensing and enforcement files and access is not limited to employees with approved access.

California Department of Justice Application for Authorization Pursuant to State Statute (Public/Private Schools, Government Agencies, Federal Agencies, Financial Institutions & Public Utilities), states the following:

"Any record information that is retained by the applicant agency must be stored in a secure and confidential file."

"...agency/organization will have a written policy for securing access, storage, dissemination and destruction of criminal record information. This policy will include the steps to be taken to prevent unauthorized access to CORI maintained in agency files."

"The information provided by the Department of Justice will be maintained in a secured area/locked cabinet separate..."

Frequently Asked Questions – Applicant Agencies – What are some of my responsibilities, states in part, "Information received must be kept in a secure and confidential file with access restricted to a designated Records Custodian and/or person responsible for confirming the character and fitness of an applicant...Applicant agencies must destroy criminal history record information once the organization's business need is fulfilled."

This results in unauthorized archiving of criminal history reports. Additionally, files left unsecured and/or improperly stored could result in authorized access. Furthermore, the misuse of CORI is a criminal offense. Misuse of CORI may result in criminal or civil prosecution and/or administrative action up to and including loss of access to information maintained by the Department of Justice.

Recommendation:

Ensure that CORI/Live Scan information is properly secured, destroyed and limited to employees with approved DOJ clearance. Ensure that the criminal history record is destroyed once initially used. Do not archive criminal history records either electronically or on paper.

8. File Maintenance & Record Management

There are multiple deficiencies related to file maintenance and records management:

- The board does not file all documents (i.e. renewals, batch mail, etc.) in the specific licensee file.
- Files do not contain historical information pertaining to the licensee.
- There is no structured layout of files.
- Files are unorganized and poorly maintained.
- Checklists are not always used and/or completed in their entirety.
- Three files requested for review during the audit could not be located.

Department of Consumer Affairs, Records Management, BSO 12-03, states in part, "Each state agency is required to manage its records in accordance with the procedures established by the Department and policies, procedures, and standards set forth by the DGS Office of State Publishing, CalRIM Program. Records Management includes creating, using, keeping, managing, and disposing of records. The state mandated Records Management Program is essential to all boards, bureaus, divisions and programs to effectively manage their business records in all types of media, i.e., paper, Electronic, Micro Form, CD Rom, DVD, Redundant Array of Independent Disks, Roll Film, Microfiche, including Scanned and Imaged documents."

State Administrations Manual, Statutory Authority, Section 1602, states, "The State Records Management Act contained in Government Code Sections 12270-12279 requires the Secretary of State to: "Establish and administer, in the executive branch of government, a records management program which will apply efficient and economical management methods to the creation, utilization, maintenance, retention, preservation, and disposal of state records" (Govt. Code 12272(a))."

State Administration Manual, Agency Responsibilities, Section 1604, states in part, "Although not all inclusive, some of the more pertinent responsibilities are:

1. Per Government Code 12274, and in accordance with the rules, regulations, and standards and procedures issued by the Secretary of State, requires the head of each state agency to:

a. Establish and maintain an active, continuing program for the economical and efficient management of the records and information practices of the agency..."

BVNPT Enforcement Manual, states in part, "(B) File Assembly – Files must be assembled and maintained in orderly fashion to ensure efficient case processing upon receipt of a complaint."

This results in an increased risk of damaged, lost, and/or misappropriation of licensee records and files. Additionally, it decreases the efficiency of processing applications, renewals and enforcement cases in a consistent manner and reasonable timeframe.

Recommendation:

Ensure that all documents are filed in licensees files. Create and implement internal policies and procedures regarding file maintenance and records management. Train all employees on the intent and expectations of the policies and procedures. Ensure that checklists are completed in their entirety and monitor for employee compliance.

9. Safeguarding Social Security Numbers

The board is not adequately safeguarding the social security numbers of applicants and licensees. The board is using the social security numbers of licensees and applicants in training documents. Additionally, the manuals are located on employee desk tops which are accessible to restricted after-hours cleaning staff.

Department of Consumer Affairs, Departmental Procedures Memorandum Personnel, Subject: Safeguarding Social Security Numbers, Number: DPM-ISO 08-01 states in part, the following:

"Access to Social Security Number Data

2.1. Access to social security numbers shall be limited to those individuals whose job requires such access.

2.2. Documents, forms, and electronic media containing social security numbers must be locked in secure drawers or file cabinets when not in use.

2.3. All paper documents containing social security numbers must be shredded prior to disposal. Documents that cannot be immediately shredded must be secured in locked cabinets or containers until shredded...

Sharing Social Security Numbers with Third Parties

3.1. Social security numbers may not be shared with third parties unless required or permitted by law...”

The misuse of social security numbers increases the likelihood of theft, misuse and/or misappropriation of confidential licensee and applicant information.

Recommendation:

Follow all guidelines specified in DCA’s DPM regarding safeguarding social security numbers. Discontinue using social security numbers in manuals, policies, procedures, and training documents. All documents within the board should be reviewed to assure that there isn’t any other misuse of social security numbers. Properly dispose of or redact all documents displaying confidential information.

10. Safeguarding Assets

There are inadequate internal controls over the safeguarding of state assets. For example:

- All licensing employees have the same “common” keys for cabinets and drawers located in the cashiering office. These cabinets are used by cashiering to secure multiple items related to cashiering functions.
- There are too many people with access to the “secure room” where cash and negotiable instruments are safeguarded in a locked cabinet. This area also houses the key inventory for the entire board. The board is not utilizing the safe that is currently located in the limited accessible PT cashiering area.
- Employees do not always secure processed negotiable instruments such as checks and money orders overnight when “cash” is not cashiered for the day.
- Unprocessed mail containing payments in the form of negotiable instruments is kept in a large mail box underneath a desk and not secured overnight.

State Administrative Manual, Internal Control 20050 states in part, “All levels of management must provide active, ongoing oversight and monitoring processes for the prevention and early detection of fraud and errors in program administration, and must routinely monitor, evaluate, and improve internal controls when necessary. Internal accounting controls comprise the methods and procedures directly associated with safeguarding assets and assuring the reliability of accounting data. Internal administrative controls comprise the methods and procedures that address operational efficiency and adherence to management policies.”

Government Code 13403 states in part, “the elements of a satisfactory system of internal accounting and administrative controls, shall include, but are not limited to:

1. A plan of organization that provides segregation of duties appropriate for proper safeguarding of state agency assets.
2. A plan that limits access to state assets to authorized personnel who require these assets in the performance of their assigned duties.”

The lack of properly securing state assets increases the risk of theft and/or misappropriation.

Recommendation:

Properly secure all processed and unprocessed assets and negotiable instruments. Furthermore, limit room access and key distribution only to staff requiring access.

11. Safe Combination

The board does not document and/or keep a record showing when the combination of the safe was last changed and the name(s) of the employees with access to the safe.

State Administration Manual, Safes and Vaults 8024, states the following:

“The following standards apply to safes and vaults housing either cash or valuable documents:

1. The combination will be known to as few persons as possible consistent with operating requirements and the value of the cash or documents safeguarded.
2. A record will be kept showing: (a) date the combination last was changed and (b) names of persons knowing the present combination.
3. The combination will be changed when it becomes known to an excessive number of employees, or if any employee having knowledge of the combination leaves the employ of the State agency, or no longer requires the combination in the performance of his or her duties.”

The lack of properly limiting access to state assets increases the risk of theft and/or misappropriation.

Recommendation:

Document and keep record(s) of all changes to the safe combination and all individuals with knowledge of the combination. Additionally, ensure that the combination is changed whenever there are status changes to individuals who know the combinations (i.e. changes in job assignment, employee transfers, etc.).

12. Pre-Listing of Negotiable Instruments

Incoming collections of negotiable instruments (i.e. checks, money orders) are not documented by the person(s) opening the mail.

SAM 8022 Documentation of Incoming Collections states the following:

“Department records will contain information regarding the type of collection (such as cash, check, or money order) received from each payer. This information will be recorded so that it can be readily audited from receipts, reports of collections, or the registers, and will show the amount of the check or money order presented. See SAM Section 8023, Acceptance of Checks and Money Orders.

To maintain accountability of these assets, all incoming collections will be documented by the person opening the mail. These collections may be either payable or not payable to the state department.

Cash or checks not payable to the department but are transferred between employees from the time of its receipt to its deposit will be documented by the department. This documentation will include the date received or check date/check number, payer name, amount, and a brief description of the receipt.”

This condition results in the lack of internal controls of negotiable instruments. Additionally, it could also result in the misappropriation and/or theft of state funds.

Recommendation:

Document all negotiable instruments opened by the board’s mailroom and/or person(s) opening the mail in accordance to SAM.

13. Dishonored Checks

There are multiple deficiencies regarding dishonored checks. As of August 31, 2015 there is \$88,957 in dishonored checks for the FY 14/15 and start of FY 15/16. The board does not monitor the ongoing collection process and status of dishonored checks on a monthly basis. Second and third collection letters are not being sent by employees. There are no written guidelines for processing and collecting dishonored checks. The board has inconsistencies regarding when late fees are assessed (i.e. delinquent late fees and NSF check fees). Lastly, the board has a very fast turnaround for licensees requesting verification of licensure to apply to other states. However, when a dishonored check is returned to the board, it becomes difficult to collect on the check because the licensee’s contact information is no longer valid.

California Business and Professions Code, Division 2 Chapter 6.5 Vocational Nursing Section 2895.1. Dishonored Check in Payment of License Renewal Fee, states,

“Notwithstanding any other provision of law, an applicant for license renewal who receives his or her license after payment by a check or money order that is subsequently returned unpaid, shall not be granted a renewal until the applicant pays the amount outstanding from the returned check or money order, the applicable returned check fee, together with the applicable fee including any delinquency fee for the pending renewal. The board may require each applicant to make payment of all fees by cashier’s check.”

State Administration Manual, Accounts Receivables, Section 8776 states in part, “Reconciling ARs - Departments will review and reconcile ARs in the accounting system to ARs recorded by the State Controller's Office (SCO) and/or those ARs maintained in departmental records (e.g., program records, payroll records, etc.). AR reconciliations will be prepared monthly within 30 days of the preceding month. Periodic reviews of the AR reports should be performed monthly to ensure there is ongoing collection activity.

Documenting and Retaining ARs - Departments must ensure proper recordkeeping is maintained. All efforts made toward the collection of receivables should be documented to include the dates and types of collection effort (e.g., letters, offset, phone calls, e-mails).

AR source documents (e.g., invoices), documentation of collection efforts, and documentation of payments and any adjustments should be retained for at least four years after the receivable has been paid.”

State Administration Manual, Nonemployee Accounts Receivables, Section 8776.6, states “For the collection letter process, the department will send a sequence of three collection letters at a minimum of 30 day intervals. If a reply or payment is not received within 30 days after sending the first letter, the department will send a second letter. This follow-up letter will reference the original request for payment letter and will be stated in a stronger tone. If a response is still not received from the debtor, a third letter will be sent 30 days later. This last letter will include references to prior letters and will state what further actions, including collection fees, may be taken in the collection process.”

This results in lost revenue for the board.

Recommendation:

Establish written policies and guidelines regarding dishonored checks and train employees. Ensure that all collection letters are sent in accordance to SAM. Wait for a check to clear before processing any request for verification of licensing for other states.

Licensing Unit

14. Licensing Processing Time

The board does not process initial licenses for Vocational Nursing and Psychiatric Technicians applicants within the maximum period of time allotted. Additionally, the processing time for renewal licenses is inaccurate because it only reports the time it takes to cashier the payment and not the time it takes to completely review and validate that continuing education documents submitted meet the renewal requirements. For example there are initial licenses that have 13 to 55 weeks of processing time and some renewal licenses that have zero to three days of processing time.

California Code of Regulations, Title 16. Professional and Vocational Regulations, Division 25, Board of Vocational Nursing and Psychiatric Technicians of the State of California, Chapter 1. Vocational Nurses, Article 2. Application for License, Section 2508, and Chapter 2. Psychiatric Technicians, Article 2. Application for License, Section 2567, states in part the following:

<i>Permit</i>	<i>Maximum Period of time which the board will notify applicant in writing that the application is complete and accepted for filing or that the application is deficient and what specific information is required.</i>
Initial License	90 days
Renewals – License	60 days

This impacts the board's ability to meet the processing expectations. Additionally, inaccurate reporting impacts the board's ability to provide accurate data that is used for determining the board's operational needs.

Recommendation:

Ensure that all licenses are processed within the allotted timeframes noted in the California Code of Regulations. Additionally, review all continuing education documents submitted by licensees prior to approving a license so that the reports accurately reflect the correct processing times.

15. 12th Grade Education

The board does not always validate that applicants have successfully completed at least a high school diploma or an acceptable GED certificate when approving applications for licensing. See the tested areas below:

Application Type	Number of applications missing proof of high school diploma or GED	Percentage
------------------	--	------------

Initial Application (VN)	7 of 13 Tested	54%
Interim Permits (VN)	8 of 12 Tested	67%
Initial Application (PT)	10 of 13 Tested	77%
Interim Permits (PT)	2 of 3 Tested	67%

California Business and Professions Code, Division 2 Chapter 6.5 Vocational Nursing Section 2866. Applicant's Qualifications, states in part, "An applicant for a licensed vocational nurse license shall comply with each of the following: (b) Have successfully completed at least an approved course of study through the 12th grade or the equivalent thereof as specified by the board."

California Business and Professions Code, Division 2 Chapter 10 Psychiatric Technicians, Section 4511. Qualifications of Applicants, states in part, "An applicant for a psychiatric technician's license shall have the following qualifications: (b) Have successfully completed an approved general education course of study through the 12th grade or the equivalent thereof as determined by the board."

BVNPT Instructions to Applicants for Licensure, states in part, "(F) Proof of 12th Grade Education – Attach proof of 12th grade education or its equivalent. A copy of your high school diploma or GED Certificate is acceptable."

BVNPT Summary of Requirements for Licensure, states in part, "Furnish proof of completion of the 12th grade of schooling or its equivalent."

BVNPT Application for Vocational Nurse Licensure by Endorsement, states in part, "All applicants must provide proof of 12th grade education or its equivalent. A high school diploma or GED certificate is acceptable."

This jeopardizes the board's ability to adequately protect consumers from unprofessional and unsafe licensed vocational nurses and psychiatric technicians. Additionally, it increases the board's liability for approving and licensing an unqualified licensee.

Recommendation:

Ensure that all licensing requirements are met when approving an applicant to be licensed. Additionally, ensure that all files include proof to validate the board's decision and approval process.

16. Continuing Education

There are multiple deficiencies related to continuing education:

- The board does not review all continuing education information submitted by renewal licensees and certify that the licensee has completed the hours of continuing education required prior to renewing their license.
- The board does not require online renewals to submit their proof of continuing education.
- There are no written policies and procedures regarding validating and auditing continuing education.
- The board does not file the renewal documents in the appropriate licensees file folder.
- The existing tracking (excel) documents are insufficient.
- The board audits a very small percentage of renewals.
- There are long and delayed timeframes for renewals selected for audit.
- The enforcement unit questioned the appropriateness of imposing fines or issuing citations after a lengthy delay in performing an audit. The lengthy delays in performing an audit created legal barriers to pursuing fines and/or citations.

California Code of Regulations, Title 16 Professional and Vocational Regulations, Board of Vocational Nursing and Psychiatric Technicians of the State of California, Chapter 2. Psychiatric Technicians, Article 7. Continuing Education, Section 2592.1. Hour Requirements, states in part, "(a) Each licensee renewing a license under Section 4544 of the code shall submit proof of having completed, during the preceding two years, thirty (30) hours of continuing education acceptable to the Board."

California Business and Professions Code, Division 2 Chapter 6.5 Vocational Nursing Section 2892.5. Continuing Education Requirements, states "(a) Each person renewing his or her license under the provisions of this chapter shall submit proof satisfactory to the board that, during the preceding two-year period, he or she has informed himself or herself of developments in the vocational nurse field or in any special area of vocational nurse practice, occurring since the issuance of his or her certificate, or the last renewal thereof, whichever last occurred, either by pursuing a course or courses of continuing education approved by the board in the vocational nurse field or relevant to the practice of such licensee, and approved by the board; or by other means deemed equivalent by the board.

(b) For purposes of this section, the board shall, by regulation, establish standards for continuing education. The standards shall be established in a manner to assure that a variety of alternative forms of continuing education are available to licensees including, but not limited to, academic studies, in- service education, institutes, seminars, lectures, conferences, workshops, extension studies, and home study programs. The standards shall take cognizance of specialized areas of practice. The continuing education

standards established by the board shall not exceed 30 hours of direct participation in a course or courses approved by the board, or its equivalent in the units of measure adopted by the board.

(c) This section shall not apply to the first license renewal following the initial issuance of a license.

(d) The board may, in accordance with the intent of this section, make exceptions from continuing education for licensees residing in another state or country, or for reasons of health, military service, or other good cause.”

California Code of Regulations, Title 16 Professional and Vocational Regulations, Board of Vocational Nursing and Psychiatric Technicians of the State of California, Chapter 2. Psychiatric Technicians, Article 7. Continuing Education, Section 2592.5, Course Completion Certificates and Reporting, states in part:

“(b) At the time of license renewal, the licensee shall provide a written statement indicating

- (1) The date each course was completed;
- (2) Provider and course number;
- (3) Course title; and
- (4) Total hours of the course.

(c) Licensees are required to maintain a record of continuing education courses taken during the last four (4) years.”

This jeopardizes the board’s ability to adequately protect consumers from unprofessional and unsafe licensed vocational nurses and psychiatric technicians. Additionally, it increases the board’s liability for approving and licensing an unqualified licensee.

Recommendation:

Ensure that all continuing education information submitted during the renewal process is reviewed and meets all requirements when determining the renewal approval of a licensee. Create, maintain and monitor tracking document(s) used for continuing education auditing. File all renewal documents in the appropriate licensee file folder. Lastly, ensure that enforcement and licensing work together to establish uniform policies and procedures for auditing and enforcing fines and citations related to continuing education.

Enforcement Unit

17. Time Enforcement

Complaints filed against licensees are not always processed within one year (12 months). During the testing period the board had a total of 1057 complaints that had aged over 12 months. Additionally, the board does not have an effective system for prioritizing complaint cases. Lastly, there are long delays in posting disciplinary actions on the board's website.

BVNPT, 2015 Strategic Plan, states in part the following:

"A. ENFORCEMENT

Methodically assess the causes of case aging and systematically remove them with the assistance of the DCA, AG, and OAH and maintain timely completion of the current complaints, investigations and disciplinary process.

Objectives:

1. Systematically review old cases to determine causes for aging and pursue a written plan of action with timelines to correct.
2. Prioritize over 5,000 complaints in order of importance based on the criticality and nature of the complaint and complete their initial review within 30 days.
3. Investigate all complaints in an objective, timely and cost-effective manner to be completed in 12 months.
4. Take administrative and disciplinary action as warranted by law and by prescribed timelines specified in the Administrative Procedures Act.
5. Strengthen collaborative relationships with other State and law enforcement agencies to enhance our field investigations and support legislation that enhances our consumer protection priority.
6. Collaborate with the AG's Office, OAH, and DCA to establish mutual goals for efficiency, effectiveness, and expeditious processing of actions.
7. Utilize innovative disciplinary techniques designed to protect the public from unprofessional, incompetent and negligent practitioners.
8. Ensure public disciplinary information is reported to the Healthcare Integrity and Protection Data Bank, the National Council of State Boards of Nursing's Nursys, and on the Board's web site.
9. Expand the Board's Expert Witness Program by recruiting and training at least 10 additional experts to review enforcement cases, provide quality expert opinions, and testify at administrative hearings.
10. Seek and utilize creative solutions to mitigate an increasing workload exceeding 5,000 cases received per year..."

California Code of Regulations, Title 16 Professional and Vocational Regulations, Division 25 Board of Vocational Nursing and Psychiatric Technicians of the State of California, Chapter 1 Vocational Nurses, Article 4. Licenses, Section 2524.5. Consumer Complaint Disclosure states in part:

"In reaching a decision on the disclosure of a consumer complaint under the Public Records Act (Government Code Section 6250 et seq.), the Board shall follow its "Consumer Complaint Disclosure Policy" which specifies the following:

(a) Public Access to Information - It is the policy of the Board of Vocational Nursing and Psychiatric Technicians (hereafter "Board") that information concerning individuals licensed by this agency be available to members of the public. Among the principal functions of the Board is the investigation of complaints against its licensees to determine whether there is cause for disciplinary action. Information regarding actions taken by the Board in the disposition of such complaints is readily accessible to the consuming public.

(b) Complaint Information System - The Board maintains a system designed to provide information regarding complaints and disciplinary actions against its licensees and information regarding their license status..."

This results in complaints not being processed in a reasonable time period. Additionally, it could potentially allow a licensee to continue practicing during the time when disciplinary actions should be taken.

Recommendation:

Ensure that the complaint process is reviewed and reevaluated on a regular basis to allow for effective and efficient processing. Additionally, process all complaints within one year. Lastly, ensure that complaint results are promptly displayed on the website.

18. Staff Accountability

Field staff investigator whereabouts, schedules, and projects are not always known to supervisors and/or managers.

SAM 20050 states in part, "Symptoms of Control Deficiencies - Experience has indicated that the existence of one or more of the following danger signals is usually indicative of a poorly maintained or vulnerable control system. These symptoms may apply to the organization as a whole or to individual units or activities. Entity heads and managers must identify and make the necessary corrections when warned by any of the danger signals listed below.

1. Policy and procedural or operational manuals are either not currently maintained or are nonexistent.
2. Lines of organizational authority and responsibility are not clearly articulated or are nonexistent...
4. Line supervisors ignore or do not adequately monitor control compliance.
5. No procedures are established to assure that controls in all areas of operation are evaluated on a reasonable and timely basis.
6. Internal control weaknesses detected are not acted upon in a timely fashion..."

This decreases the board's ability to monitor and establish the proper accountability for employees working and traveling outside of the office. Additionally, this results in inadequate internal controls when guidelines and expectations are not properly communicated and adhered to by managers, supervisors and employees. Lastly, it could result in management's inability to contact and/or locate employees.

Recommendation:

Establish and communicate written policies and procedures for all employees to follow when working outside of the office and monitor for compliance.

Banks, Naomi@DCA

From: Brown, Kameka@DCA
Sent: Monday, March 14, 2016 9:39 AM
To: Banks, Naomi@DCA
Subject: BVNPT Internal Audit Final Response
Attachments: BVNPT Corrective Action Plan Final.pdf

Greetings:

Attached are the Responses to Internal Audit of the BVNPT Board. Please let me know if there is more needed.

**Thanks,
Kameka**

Kameka Brown, PhD, MBA, NP
Executive Officer
Board of Vocational Nursing and Psychiatric Technicians
916.263.7845

Findings and Recommendations

1. Strategic Plan

There is a 2015 strategic plan; however it is missing the following key components:

- Vision – there's no compelling, conceptual, vivid image of the desired future.
- Action Plan - there's no detailed description of the key strategies used to implement each objective.
- Performance Measurements – there's no method for measuring results and ensuring accountability.
- Monitoring and Tracking - there's no system listed to monitor progress, compile management information and keep the plan on track.

Department of Finance Strategic Planning Guidelines, states, "There are several key components that are usually included in a plan; these include the internal/external assessment, mission statement, principles, vision goals, objectives, performance measures, and action plans. Additionally, there are specific steps to be taken to (a) develop and implement the plan and (b) track and monitor progress."

DCA Memorandum, Enforcement Performance Measure Update and Guidelines for Setting Targets, May 12, 2010, states in part, "All boards and bureaus are being asked to set targets for the new enforcement measures...The other enforcement measures for which you will need to set targets are the following:

- Intake Cycle Time
- Cycle Time of Closed Cases Not Resulting in Formal Discipline
- Customer Satisfaction
- Initial Contact Cycle Time
- Violation Cycle Time...

There is no preferred or single formula for setting performance targets. The following simple guidelines for setting targets are based on information from Harvard Business Review:

- Establish a three-point range of targets for your metrics.
- Involve your employees.
- Consider trends to establish a target baseline.
- Get input from the Executive Office and your board members.
- Use Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis.
- Gather feedback from customers and other stakeholders.
- Consider other government agency averages where applicable.
- Identify initiatives."

This results in the board's diminished ability of having a systematic strategy in place to meet their long range goals, objectives, and needs.

Recommendation:

The board should take the following actions:

- Use the Department of Finance Strategic Planning Guidelines as a reference.
- Develop a strategic plan with specific target dates to implement its goals.
- Develop a monitoring and tracking system to ensure the established goals are met and modified as needed.
- Develop measurable/quantifiable targets for accomplishments of its goals.
- Work with the department's SOLID Unit for assistance in development of a strategic plan that includes all of the vital elements for having an efficient plan.

Corrective Action Plan

The plan will be updated to include the key areas previously omitted. Additionally, this issue will be brought up at the next Board Meeting in May as the Board Members will be approving a revised Strategic Plan.

2. Policies and Procedures

Policies, procedures, and desk procedures are outdated and do not reflect accurate information.

SAM 20050 states in part, "Each system an entity maintains to regulate and guide operations should be documented through flowcharts, narratives, desk procedures, and organizational charts."

Government Code 13403 states in part, "internal accounting and administrative controls are the methods through which state entity heads can give reasonable assurance that measures to safeguard assets, check the accuracy and reliability of accounting data, promote operational efficiency, and encourage adherence to prescribed managerial policies are being followed."

This results in non-existent, inaccurate and unreliable information being communicated to staff. This jeopardizes their ability to perform their responsibilities as required.

Recommendation:

Create and/or update desk procedures, flowcharts, policies and procedures. Additionally, follow SAM 20050, internal control components (Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring).

Corrective Action Plan

The development of desk procedures is in progress. The projected completion date for desk procedures is March 31, 2017.

3. Vacancies

During the audit period, July 1, 2013 through June 30, 2014, the board had multiple vacancies that have gone unfilled for more than six months. Additionally, positions are redirected and transferred in order to circumvent the abolishment of the positions.

California Government Code, Article 2. Duties - Section 12439 states the following:

“(a) Beginning July 1, 2002, any state position that is vacant for six consecutive monthly pay periods shall be abolished by the Controller on the following July 1. The six consecutive monthly pay periods may occur entirely within one fiscal year or between two consecutive fiscal years...”

This condition results in inaccurate vacancy reporting that can misrepresent the staffing needs of the board. Additionally, lengthy vacancies can impact the effectiveness and efficiency of work completed by the board. Furthermore, it could also create an increased workload for the remaining employees.

Recommendation:

Fill vacant positions within six months. Additionally, avoid circumventing the abolishment of positions by following the requirements of the Government Code to reestablish any lost positions.

Corrective Action Plan

The Board maintains a commitment to recruiting and hiring qualified candidates in a timely manner. The current practice is to actively begin the recruitment process upon notice of a separation. Managers will develop staff cross-training to ensure that work is completed should a vacancy occur. The code stipulating vacant positions be filled within six months has been removed.

4. Duty Statements

Duty statements are not always accurate and properly completed. For example, duty statements were not prepared on the currently approved form HR-41 (new 05/04), did not include the effective date the position was filled, and did not include current and/or accurate duties performed by employees.

Department of Consumer Affairs, Departmental Procedures Memorandum Personnel, Subject: Duty Statements, Number: DPM-PERS 04-04 states the following:

"The purpose of this Departmental Procedures Memorandum (DPM) is to advise all managers/supervisors of the requirement to establish duty statements for all employees of the Department of Consumer Affairs (DCA), which identify the essential/marginal job functions and accurately describe every position within the Department."

"The position duty statement is a description of the tasks, functions and responsibilities of the position to which the employee is assigned. A duty statement:

- Identifies the duties of a position.
- Identifies the Essential and Marginal functions of a position.
- Serves as a basis for performance evaluations.
- Identifies training needs.
- Communicates to the employee the clear expectations of the job.

The evaluation of performance, in conjunction with the essential job functions, clearly focuses the employee and supervisor on the performance requirements of the job as well as the employee's strengths and weaknesses in performing it.

- Allows Managers and Supervisors to manage, control and distribute workload.
- Helps to avoid Out-of-Class situations.
- Assists in evaluating requests for Reasonable Accommodation."

The lack of current duty statements increases the likelihood that staff are unaware of the tasks, functions and responsibilities of the position to which the employee is assigned. Additionally, it is difficult for management to evaluate an employee's performance and training needs. Furthermore, it challenges management's ability to identify employees working in out-of-class situations.

Recommendation:

Update duty statements according to DCA's Department Procedure Memorandum and ensure that all employees have received, read, understand and have signed a copy of their current duty statement.

Corrective Action Plan

Revisions to duty statements is in progress. The projected completion date is September 30, 2016.

5. Training & Development

Employees are not receiving an adequate amount of training to effectively and efficiently do their jobs. Fifty-six percent of the employees surveyed do not believe they have the tools and resources needed to do their jobs. Additionally, employees believe that the board offers limited training to both new and existing employees. Lastly, the employees receive limited and/or no cross-training when asked to work areas outside of their job descriptions.

Department of Consumer Affairs, Training and Development Policy, SLD 15-01, states in part:

POLICY

"It is the policy of the Department of Consumer Affairs ("DCA" or "Department") to provide quality service to the public by developing the knowledge, skills, and abilities of its employees through training. Such training will be economical, effective, and consistent with the interests of the public, the State, and employees.

Training opportunities shall be based on organizational needs, job requirements or job performance, the individual's interest in personal development, and available time and fiscal resources."

PROVISIONS

"Managers and supervisors are responsible for identifying the training needs of their subordinates through performance evaluations and Individual Development Plans (IDP), and for recommending training that helps employees meet minimum job performance standards for their current positions...

All DCA employees shall have equal access to training that helps them achieve minimum job performance standards."

The lack of training results in employee's limited ability to develop knowledge and skills to properly do their job. Additionally, it decreases the board's assurance that quality service is being offered in the interests of the public, the State, and individual employees. Furthermore, when employees are not adequately cross-trained it increases the amount

of backlogged work when employees use sick leave, vacation time or the position becomes vacant.

Recommendation:

Follow DCA's policy for training and development by providing an efficient amount of training to all employees. Ensure that when employee's job descriptions are updated and/or changed that they receive the proper training that enables them to achieve their minimum job standards.

Corrective Action Plan

Training plans are created for all new employees while existing employees will have a training plan developed through the IDP process beginning July 1, 2016. Staff are also encouraged to attend SOLID training classes. Various training opportunities are created internally on a regular basis to develop staff and provide cross-training. Additionally, desk procedures will be accessible to staff by March 31, 2017.

6. Overtime Usage

There is excessive overtime usage within the board. A total of 6636.75 hours were used during a 10 month period of time between July 2014 and April 2015. The enforcement and licensing departments used 91% of the overtime during this period. Additionally, employees are working overtime without prior written approval from a supervisor and/or manager.

State Administration Manual, Overtime 8540, states in part, "As a general practice, compensation for overtime, either by cash payment or time off, should be based upon prior written approval signed by a designated supervisor. It should also be authorized and issued in accordance with bargaining unit agreements."

Personnel Procedures Handbook Chapter 1200 Overtime, states in part, "Overtime is authorized time worked in excess of the regularly scheduled workweek. The amount of overtime should be kept to a minimum through the use of sound management practices and planning. Overtime should not be a regularly scheduled feature of the job."

BVNPT Annual Staff Meeting March 26, 2014, states in part, "Employees must submit a memorandum specifying the assignment to be completed and the date and time period in which the overtime is to take place."

Excessive amounts of overtime can be detrimental to the state as well as to its employees. Excessive overtime can be more costly to the state than hiring additional employees

because of the overtime rate of pay compared to the normal rate of pay. Additionally, excessive use of overtime can lead to increased employee turnover, sick usage, workplace injuries, disability claims, and loss of productivity.

Recommendation:

Overtime should be kept to a minimum and not used as a regularly scheduled feature of the job. Additionally, create overtime policies and procedures for management and staff to follow. Lastly, ensure that all overtime usage has prior written approval signed off by a supervisor and/or manager and kept for future reference.

Corrective Action Plan

The development of a comprehensive overtime policy/procedures is forthcoming. Staff have been instructed to submit overtime requests in writing for manager approval. No overtime will be approved without a prior written request. Prudent use of overtime and based on critical business needs is advised.

7. CORI (DOJ Live Scan)

The board inadequately stores and secures sensitive CORI (Live Scan) information. CORI information is kept in licensing and enforcement files and access is not limited to employees with approved access.

California Department of Justice Application for Authorization Pursuant to State Statute (Public/Private Schools, Government Agencies, Federal Agencies, Financial Institutions & Public Utilities), states the following:

"Any record information that is retained by the applicant agency must be stored in a secure and confidential file."

"...agency/organization will have a written policy for securing access, storage, dissemination and destruction of criminal record information. This policy will include the steps to be taken to prevent unauthorized access to CORI maintained in agency files."

"The information provided by the Department of Justice will be maintained in a secured area/locked cabinet separate..."

Frequently Asked Questions – Applicant Agencies – What are some of my responsibilities, states in part, "Information received must be kept in a secure and confidential file with access restricted to a designated Records Custodian and/or person

responsible for confirming the character and fitness of an applicant...Applicant agencies must destroy criminal history record information once the organization's business need is fulfilled."

This results in unauthorized archiving of criminal history reports. Additionally, files left unsecured and/or improperly stored could result in authorized access. Furthermore, the misuse of CORI is a criminal offense. Misuse of CORI may result in criminal or civil prosecution and/or administrative action up to and including loss of access to information maintained by the Department of Justice.

Recommendation:

Ensure that CORI/Live Scan information is properly secured, destroyed and limited to employees with approved DOJ clearance. Ensure that the criminal history record is destroyed once initially used. Do not archive criminal history records either electronically or on paper.

Corrective Action Plan

As of March 1, 2016, all CORI-related documents are properly secured and all Board staff are CORI cleared. Procedures were created and implemented in July 2015 for Enforcement and February 2016 for Licensing regarding destruction of CORI when it is no longer needed for its business purpose. A project to retrieve files from the State Records Center (SRC) and destroy CORIs will be implemented by September 30, 2016.

8. File Maintenance & Record Management

There are multiple deficiencies related to file maintenance and records management:

- The board does not file all documents (i.e. renewals, batch mail, etc.) in the specific licensee file.
- Files do not contain historical information pertaining to the licensee.
- There is no structured layout of files.
- Files are unorganized and poorly maintained.
- Checklists are not always used and/or completed in their entirety.
- Three files requested for review during the audit could not be located.

Department of Consumer Affairs, Records Management, BSO 12-03, states in part, "Each state agency is required to manage its records in accordance with the procedures established by the Department and policies, procedures, and standards set forth by the

DGS Office of State Publishing, CalRIM Program. Records Management includes creating, using, keeping, managing, and disposing of records. The state mandated Records Management Program is essential to all boards, bureaus, divisions and programs to effectively manage their business records in all types of media, i.e., paper, Electronic, Micro Form, CD Rom, DVD, Redundant Array of Independent Disks, Roll Film, Microfiche, including Scanned and Imaged documents."

State Administrations Manual, Statutory Authority, Section 1602, states, "The State Records Management Act contained in Government Code Sections 12270-12279 requires the Secretary of State to: "Establish and administer, in the executive branch of government, a records management program which will apply efficient and economical management methods to the creation, utilization, maintenance, retention, preservation, and disposal of state records" (Govt. Code 12272(a))."

State Administration Manual, Agency Responsibilities, Section 1604, states in part, "Although not all inclusive, some of the more pertinent responsibilities are:

1. Per Government Code 12274, and in accordance with the rules, regulations, and standards and procedures issued by the Secretary of State, requires the head of each state agency to:

a. Establish and maintain an active, continuing program for the economical and efficient management of the records and information practices of the agency..."

BVNPT Enforcement Manual, states in part, "(B) File Assembly – Files must be assembled and maintained in orderly fashion to ensure efficient case processing upon receipt of a complaint."

This results in an increased risk of damaged, lost, and/or misappropriation of licensee records and files. Additionally, it decreases the efficiency of processing applications, renewals and enforcement cases in a consistent manner and reasonable timeframe.

Recommendation:

Ensure that all documents are filed in licensees files. Create and implement internal policies and procedures regarding file maintenance and records management. Train all employees on the intent and expectations of the policies and procedures. Ensure that checklists are completed in their entirety and monitor for employee compliance.

A

Corrective Action Plan

A new licensing and enforcement filing system was created in approximately July 2015. Per the Board Records Retention Schedule (Std. 73), renewal applications have a

retention period of four (4) years, therefore a separate filing system is utilized versus placing the renewals in each licensee file (which have an active plus twenty-five (25) year retention period). Renewal applications, address and name changes are filed by month and year and destroyed accordingly in compliance with the approved Records Retention Schedule. The file maintenance and record management procedures will be documented and incorporated into the desk procedures by March 30, 2017.

9. Safeguarding Social Security Numbers

The board is not adequately safeguarding the social security numbers of applicants and licensees. The board is using the social security numbers of licensees and applicants in training documents. Additionally, the manuals are located on employee desk tops which are accessible to restricted after-hours cleaning staff.

Department of Consumer Affairs, Departmental Procedures Memorandum Personnel, Subject: Safeguarding Social Security Numbers, Number: DPM-ISO 08-01 states in part, the following:

"Access to Social Security Number Data

- 2.1. Access to social security numbers shall be limited to those individuals whose job requires such access.
- 2.2. Documents, forms, and electronic media containing social security numbers must be locked in secure drawers or file cabinets when not in use.
- 2.3. All paper documents containing social security numbers must be shredded prior to disposal. Documents that cannot be immediately shredded must be secured in locked cabinets or containers until shredded...

Sharing Social Security Numbers with Third Parties

- 3.1. Social security numbers may not be shared with third parties unless required or permitted by law..."

The misuse of social security numbers increases the likelihood of theft, misuse and/or misappropriation of confidential licensee and applicant information.

Recommendation:

Follow all guidelines specified in DCA's DPM regarding safeguarding social security numbers. Discontinue using social security numbers in manuals, policies, procedures, and training documents. All documents within the board should be reviewed to assure that there isn't any other misuse of social security numbers. Properly dispose of or redact all documents displaying confidential information.

Corrective Action Plan

Staff have been instructed to redact Social Security Numbers in all training manuals, policies, procedures and training documents immediately and this is scheduled to be complete by April 30, 2016. Any information with Social Security Numbers scheduled for destruction will be shredded in the proper manner. Staff was further instructed to ensure that all information containing confidential information will be locked in secure drawers or filing cabinets when not in use effective immediately.

10. Safeguarding Assets

There are inadequate internal controls over the safeguarding of state assets. For example:

- All licensing employees have the same “common” keys for cabinets and drawers located in the cashiering office. These cabinets are used by cashiering to secure multiple items related to cashiering functions.
- There are too many people with access to the “secure room” where cash and negotiable instruments are safeguarded in a locked cabinet. This area also houses the key inventory for the entire board. The board is not utilizing the safe that is currently located in the limited accessible PT cashiering area.
- Employees do not always secure processed negotiable instruments such as checks and money orders overnight when “cash” is not cashiered for the day.
- Unprocessed mail containing payments in the form of negotiable instruments is kept in a large mail box underneath a desk and not secured overnight.

State Administrative Manual, Internal Control 20050 states in part, “All levels of management must provide active, ongoing oversight and monitoring processes for the prevention and early detection of fraud and errors in program administration, and must routinely monitor, evaluate, and improve internal controls when necessary. Internal accounting controls comprise the methods and procedures directly associated with safeguarding assets and assuring the reliability of accounting data. Internal administrative controls comprise the methods and procedures that address operational efficiency and adherence to management policies.”

Government Code 13403 states in part, “the elements of a satisfactory system of internal accounting and administrative controls, shall include, but are not limited to:

1. A plan of organization that provides segregation of duties appropriate for proper safeguarding of state agency assets.

2. A plan that limits access to state assets to authorized personnel who require these assets in the performance of their assigned duties.”

The lack of properly securing state assets increases the risk of theft and/or misappropriation.

Recommendation:

Properly secure all processed and unprocessed assets and negotiable instruments. Furthermore, limit room access and key distribution only to staff requiring access.

Corrective Action Plan

All locks for the cabinets and drawers in the cashiering offices will be changed by June 30, 2016, and only the cashiers, their supervisor, and manager will have the keys. The cashiering staff will begin utilizing the safe for all cash and negotiable instruments in process as soon as we receive our purchase order for keyed money bags. Access for the secure room will be limited to the Boards management staff and one AISA. The keys for Board staff will be locked in the secured cabinet with only Board management staff with access. Cashiering staff have been instructed to lock up all unprocessed negotiable instruments at the end of each night in a secured cabinet.

11. Safe Combination

The board does not document and/or keep a record showing when the combination of the safe was last changed and the name(s) of the employees with access to the safe.

State Administration Manual, Safes and Vaults 8024, states the following:

“The following standards apply to safes and vaults housing either cash or valuable documents:

1. The combination will be known to as few persons as possible consistent with operating requirements and the value of the cash or documents safeguarded.
2. A record will be kept showing: (a) date the combination last was changed and (b) names of persons knowing the present combination.
3. The combination will be changed when it becomes known to an excessive number of employees, or if any employee having knowledge of the combination leaves the employ of the State agency, or no longer requires the combination in the performance of his or her duties.”

The lack of properly limiting access to state assets increases the risk of theft and/or misappropriation.

Recommendation:

Document and keep record(s) of all changes to the safe combination and all individuals with knowledge of the combination. Additionally, ensure that the combination is changed whenever there are status changes to individuals who know the combinations (i.e. changes in job assignment, employee transfers, etc.).

Corrective Action Plan

The safe in the Psychiatric Technicians office has not been used in years. By June 30, 2016 a safe procedure will be developed, implemented and a log created to ensure the Board complies with the SAM manual.

12. Pre-Listing of Negotiable Instruments

Incoming collections of negotiable instruments (i.e. checks, money orders) are not documented by the person(s) opening the mail.

SAM 8022 Documentation of Incoming Collections states the following:

“Department records will contain information regarding the type of collection (such as cash, check, or money order) received from each payer. This information will be recorded so that it can be readily audited from receipts, reports of collections, or the registers, and will show the amount of the check or money order presented. See SAM Section 8023, Acceptance of Checks and Money Orders.

To maintain accountability of these assets, all incoming collections will be documented by the person opening the mail. These collections may be either payable or not payable to the state department.

Cash or checks not payable to the department but are transferred between employees from the time of its receipt to its deposit will be documented by the department. This documentation will include the date received or check date/check number, payer name, amount, and a brief description of the receipt.”

This condition results in the lack of internal controls of negotiable instruments. Additionally, it could also result in the misappropriation and/or theft of state funds.

Recommendation:

Document all negotiable instruments opened by the board's mailroom and/or person(s) opening the mail in accordance to SAM.

Corrective Action Plan

A tracking log has been implemented effective March 1, 2016 which includes the check date, check number, payer name, amount, description and the staff member who opened the mail.

13. Dishonored Checks

There are multiple deficiencies regarding dishonored checks. As of August 31, 2015 there is \$88,957 in dishonored checks for the FY 14/15 and start of FY 15/16. The board does not monitor the ongoing collection process and status of dishonored checks on a monthly basis. Second and third collection letters are not being sent by employees. There are no written guidelines for processing and collecting dishonored checks. The board has inconsistencies regarding when late fees are assessed (i.e. delinquent late fees and NSF check fees). Lastly, the board has a very fast turnaround for licensees requesting verification of licensure to apply to other states. However, when a dishonored check is returned to the board, it becomes difficult to collect on the check because the licensee's contact information is no longer valid.

California Business and Professions Code, Division 2 Chapter 6.5 Vocational Nursing Section 2895.1. Dishonored Check in Payment of License Renewal Fee, states, "Notwithstanding any other provision of law, an applicant for license renewal who receives his or her license after payment by a check or money order that is subsequently returned unpaid, shall not be granted a renewal until the applicant pays the amount outstanding from the returned check or money order, the applicable returned check fee, together with the applicable fee including any delinquency fee for the pending renewal. The board may require each applicant to make payment of all fees by cashier's check."

State Administration Manual, Accounts Receivables, Section 8776 states in part, "Reconciling ARs - Departments will review and reconcile ARs in the accounting system to ARs recorded by the State Controller's Office (SCO) and/or those ARs maintained in departmental records (e.g., program records, payroll records, etc.). AR reconciliations will be prepared monthly within 30 days of the preceding month. Periodic reviews of the AR reports should be performed monthly to ensure there is ongoing collection activity."

Documenting and Retaining ARs - Departments must ensure proper recordkeeping is maintained. All efforts made toward the collection of receivables should be documented to include the dates and types of collection effort (e.g., letters, offset, phone calls, e-mails).

AR source documents (e.g., invoices), documentation of collection efforts, and documentation of payments and any adjustments should be retained for at least four years after the receivable has been paid."

State Administration Manual, Nonemployee Accounts Receivables, Section 8776.6, states "For the collection letter process, the department will send a sequence of three collection letters at a minimum of 30 day intervals. If a reply or payment is not received within 30 days after sending the first letter, the department will send a second letter. This follow-up letter will reference the original request for payment letter and will be stated in a stronger tone. If a response is still not received from the debtor, a third letter will be sent 30 days later. This last letter will include references to prior letters and will state what further actions, including collection fees, may be taken in the collection process."

This results in lost revenue for the board.

Recommendation:

Establish written policies and guidelines regarding dishonored checks and train employees. Ensure that all collection letters are sent in accordance to SAM. Wait for a check to clear before processing any request for verification of licensing for other states.

Corrective Action Plan

Policies and training regarding the processing of dishonored checks was completed on March 1, 2016. A new process has been implemented, also effective March 1, 2016, to hold the verifications of licensing for other states to ensure the checks have cleared before mailing the verifications. Staff have been directed to clear all outstanding dishonored checks by June 30, 2016.

Licensing Unit

14. Licensing Processing Time

The board does not process initial licenses for Vocational Nursing and Psychiatric Technicians applicants within the maximum period of time allotted. Additionally, the processing time for renewal licenses is inaccurate because it only reports the time it takes to cashier the payment and not the time it takes to completely review and validate that continuing education documents submitted meet the renewal requirements. For example

there are initial licenses that have 13 to 55 weeks of processing time and some renewal licenses that have zero to three days of processing time.

California Code of Regulations, Title 16. Professional and Vocational Regulations, Division 25, Board of Vocational Nursing and Psychiatric Technicians of the State of California, Chapter 1. Vocational Nurses, Article 2. Application for License, Section 2508, and Chapter 2. Psychiatric Technicians, Article 2. Application for License, Section 2567, states in part the following:

<i>Permit</i>	<i>Maximum Period of time which the board will notify applicant in writing that the application is complete and accepted for filing or that the application is deficient and what specific information is required.</i>
Initial License	90 days
Renewals – License	60 days

This impacts the board's ability to meet the processing expectations. Additionally, inaccurate reporting impacts the board's ability to provide accurate data that is used for determining the board's operational needs.

Recommendation:

Ensure that all licenses are processed within the allotted timeframes noted in the California Code of Regulations. Additionally, review all continuing education documents submitted by licensees prior to approving a license so that the reports accurately reflect the correct processing times.

Corrective Action Plan

The Board anticipates being within the allotted window of processing time no later than July 31, 2016. Accurate processing times will be updated on the Board website and posted at the Board's office location by March 31, 2016.

California Business and Profession Code require each licensee to submit proof of having completed thirty (30) hours of continuing education. The Board currently utilizes a random audit process to verify continuing education units on a monthly basis. Although this does not capture each renewal, the random audit is the most efficient process exhausting the Board's current resources. Licensees are required to sign under penalty of perjury the continuing education requirement has been met upon renewal. The Board anticipates pursuing a regulation change to clarify, enforce and ensure licensees have informed themselves of developments in the vocational nurse and/or psychiatric technician field. Updated continuing education procedures are currently in draft process. The procedures incorporate a tracking system for the

purpose of expanding the Board's continuing education audit policy, which will allow for a larger population of licensees to undergo audit.

15. 12th Grade Education

The board does not always validate that applicants have successfully completed at least a high school diploma or an acceptable GED certificate when approving applications for licensing. See the tested areas below:

Application Type	Number of applications missing proof of high school diploma or GED	Percentage
Initial Application (VN)	7 of 13 Tested	54%
Interim Permits (VN)	8 of 12 Tested	67%
Initial Application (PT)	10 of 13 Tested	77%
Interim Permits (PT)	2 of 3 Tested	67%

California Business and Professions Code, Division 2 Chapter 6.5 Vocational Nursing Section 2866. Applicant's Qualifications, states in part, "An applicant for a licensed vocational nurse license shall comply with each of the following: (b) Have successfully completed at least an approved course of study through the 12th grade or the equivalent thereof as specified by the board."

California Business and Professions Code, Division 2 Chapter 10 Psychiatric Technicians, Section 4511. Qualifications of Applicants, states in part, "An applicant for a psychiatric technician's license shall have the following qualifications: (b) Have successfully completed an approved general education course of study through the 12th grade or the equivalent thereof as determined by the board."

BVNPT Instructions to Applicants for Licensure, states in part, "(F) Proof of 12th Grade Education – Attach proof of 12th grade education or its equivalent. A copy of your high school diploma or GED Certificate is acceptable."

BVNPT Summary of Requirements for Licensure, states in part, "Furnish proof of completion of the 12th grade of schooling or its equivalent."

BVNPT Application for Vocational Nurse Licensure by Endorsement, states in part, "All applicants must provide proof of 12th grade education or its equivalent. A high school diploma or GED certificate is acceptable."

This jeopardizes the board's ability to adequately protect consumers from unprofessional and unsafe licensed vocational nurses and psychiatric technicians. Additionally, it increases the board's liability for approving and licensing an unqualified licensee.

Recommendation:

Ensure that all licensing requirements are met when approving an applicant to be licensed. Additionally, ensure that all files include proof to validate the board's decision and approval process.

Corrective Action Plan

The Board requires all applicants to have successfully completed an approved course of study through the 12th grade or its equivalent. Completion of 12th grade or its equivalent is verified by the Board upon the receipt of the Record of Nursing Program (55A-2) which is signed under penalty of perjury by the Program Director. The Record of Nursing Program reflects this requirement has been met. California Code of Regulations, Section 2530 (g) states, "each school shall have on file proof that each student has completed a general education course of study through the 12th grade or evidence of completion of the equivalent thereof...". Applicants applying based on equivalent education and/or experience must furnish proof of completion of the 12th grade or its equivalent.

B

16. Continuing Education

There are multiple deficiencies related to continuing education:

- The board does not review all continuing education information submitted by renewal licensees and certify that the licensee has completed the hours of continuing education required prior to renewing their license.
- The board does not require online renewals to submit their proof of continuing education.
- There are no written policies and procedures regarding validating and auditing continuing education.
- The board does not file the renewal documents in the appropriate licensees file folder.
- The existing tracking (excel) documents are insufficient.
- The board audits a very small percentage of renewals.
- There are long and delayed timeframes for renewals selected for audit.
- The enforcement unit questioned the appropriateness of imposing fines or issuing citations after a lengthy delay in performing an audit. The lengthy delays in performing an audit created legal barriers to pursuing fines and/or citations.

California Code of Regulations, Title 16 Professional and Vocational Regulations, Board of Vocational Nursing and Psychiatric Technicians of the State of California, Chapter 2.

Psychiatric Technicians, Article 7. Continuing Education, Section 2592.1. Hour Requirements, states in part, "(a) Each licensee renewing a license under Section 4544 of the code shall submit proof of having completed, during the preceding two years, thirty (30) hours of continuing education acceptable to the Board."

California Business and Professions Code, Division 2 Chapter 6.5 Vocational Nursing Section 2892.5. Continuing Education Requirements, states "(a) Each person renewing his or her license under the provisions of this chapter shall submit proof satisfactory to the board that, during the preceding two-year period, he or she has informed himself or herself of developments in the vocational nurse field or in any special area of vocational nurse practice, occurring since the issuance of his or her certificate, or the last renewal thereof, whichever last occurred, either by pursuing a course or courses of continuing education approved by the board in the vocational nurse field or relevant to the practice of such licensee, and approved by the board; or by other means deemed equivalent by the board.

(b) For purposes of this section, the board shall, by regulation, establish standards for continuing education. The standards shall be established in a manner to assure that a variety of alternative forms of continuing education are available to licensees including, but not limited to, academic studies, in- service education, institutes, seminars, lectures, conferences, workshops, extension studies, and home study programs. The standards shall take cognizance of specialized areas of practice. The continuing education standards established by the board shall not exceed 30 hours of direct participation in a course or courses approved by the board, or its equivalent in the units of measure adopted by the board.

(c) This section shall not apply to the first license renewal following the initial issuance of a license.

(d) The board may, in accordance with the intent of this section, make exceptions from continuing education for licensees residing in another state or country, or for reasons of health, military service, or other good cause."

California Code of Regulations, Title 16 Professional and Vocational Regulations, Board of Vocational Nursing and Psychiatric Technicians of the State of California, Chapter 2. Psychiatric Technicians, Article 7. Continuing Education, Section 2592.5, Course Completion Certificates and Reporting, states in part:

"(b) At the time of license renewal, the licensee shall provide a written statement indicating

(1) The date each course was completed;

(2) Provider and course number;

(3) Course title; and

(4) Total hours of the course.

(c) Licensees are required to maintain a record of continuing education courses taken during the last four (4) years."

This jeopardizes the board's ability to adequately protect consumers from unprofessional and unsafe licensed vocational nurses and psychiatric technicians. Additionally, it increases the board's liability for approving and licensing an unqualified licensee.

Recommendation:

Ensure that all continuing education information submitted during the renewal process is reviewed and meets all requirements when determining the renewal approval of a licensee. Create, maintain and monitor tracking document(s) used for continuing education auditing. File all renewal documents in the appropriate licensee file folder. Lastly, ensure that enforcement and licensing work together to establish uniform policies and procedures for auditing and enforcing fines and citations related to continuing education.

Corrective Action Plan

California Business and Profession Code require each licensee to submit proof of having completed thirty (30) hours of continuing education. The Board currently utilizes a random audit process to verify continuing education units on a monthly basis. Although this does not capture each renewal, the random audit is the most efficient process exhausting the Board's current resources. Licensees are required to sign under penalty of perjury the continuing education requirement has been met upon each renewal. The Board anticipates pursuing a regulation change to clarify, enforce and ensure licensees have informed themselves of developments in the vocational nurse and/or psychiatric technician field. Updated continuing education procedures are currently in draft process. The procedures incorporate a tracking system for the purpose of expanding the Board's continuing education audit policy, which will allow for a larger population of licensees to undergo audit. Renewal documents are filed by month and year, and are accessible to the continuing education audit desk. Renewal documents have a retention period of four (4) years, and destroyed accordingly in compliance with the Board's Records Retention Schedule. Continuing Education desk procedures are expected to be completed before March 30, 2017.

C

Enforcement Unit

17. Time Enforcement

Complaints filed against licensees are not always processed within one year (12 months). During the testing period the board had a total of 1057 complaints that had aged over 12 months. Additionally, the board does not have an effective system for prioritizing complaint cases. Lastly, there are long delays in posting disciplinary actions on the board's website.

BVNPT, 2015 Strategic Plan, states in part the following:

"A. ENFORCEMENT

Methodically assess the causes of case aging and systematically remove them with the assistance of the DCA, AG, and OAH and maintain timely completion of the current complaints, investigations and disciplinary process.

Objectives:

1. Systematically review old cases to determine causes for aging and pursue a written plan of action with timelines to correct.
2. Prioritize over 5,000 complaints in order of importance based on the criticality and nature of the complaint and complete their initial review within 30 days.
3. Investigate all complaints in an objective, timely and cost-effective manner to be completed in 12 months.
4. Take administrative and disciplinary action as warranted by law and by prescribed timelines specified in the Administrative Procedures Act.
5. Strengthen collaborative relationships with other State and law enforcement agencies to enhance our field investigations and support legislation that enhances our consumer protection priority.
6. Collaborate with the AG's Office, OAH, and DCA to establish mutual goals for efficiency, effectiveness, and expeditious processing of actions.
7. Utilize innovative disciplinary techniques designed to protect the public from unprofessional, incompetent and negligent practitioners.
8. Ensure public disciplinary information is reported to the Healthcare Integrity and Protection Data Bank, the National Council of State Boards of Nursing's Nursys, and on the Board's web site.
9. Expand the Board's Expert Witness Program by recruiting and training at least 10 additional experts to review enforcement cases, provide quality expert opinions, and testify at administrative hearings.

10. Seek and utilize creative solutions to mitigate an increasing workload exceeding 5,000 cases received per year...

California Code of Regulations, Title 16 Professional and Vocational Regulations, Division 25 Board of Vocational Nursing and Psychiatric Technicians of the State of California, Chapter 1 Vocational Nurses, Article 4. Licenses, Section 2524.5. Consumer Complaint Disclosure states in part:

"In reaching a decision on the disclosure of a consumer complaint under the Public Records Act (Government Code Section 6250 et seq.), the Board shall follow its "Consumer Complaint Disclosure Policy" which specifies the following:

(a) Public Access to Information - It is the policy of the Board of Vocational Nursing and Psychiatric Technicians (hereafter "Board") that information concerning individuals licensed by this agency be available to members of the public. Among the principal functions of the Board is the investigation of complaints against its licensees to determine whether there is cause for disciplinary action. Information regarding actions taken by the Board in the disposition of such complaints is readily accessible to the consuming public.

(b) Complaint Information System - The Board maintains a system designed to provide information regarding complaints and disciplinary actions against its licensees and information regarding their license status..."

This results in complaints not being processed in a reasonable time period. Additionally, it could potentially allow a licensee to continue practicing during the time when disciplinary actions should be taken.

Recommendation:

Ensure that the complaint process is reviewed and reevaluated on a regular basis to allow for effective and efficient processing. Additionally, process all complaints within one year. Lastly, ensure that complaint results are promptly displayed on the website.

Corrective Action Plan

A complete assessment of the complaint process was completed in September 2015. All complaint processes were streamlined to ensure efficient handling of all complaints. Prioritization of complaints is assessed at intake and priority is given to more serious complaints. Reporting tools are now used to monitor case aging and identify high priority cases. Further, staff will be developing a case prioritization guideline to utilize during intake which will be implemented by June 30, 2016.

The issue regarding delays in posting discipline actions on the board's website has been resolved with the implementation of BreEZe. The new BreEZe system allows staff to post discipline documents immediately. In February 2016 procedures were created and implemented for posting documents to the Board's website and training has been provided to staff.

18. Staff Accountability

Field staff investigator whereabouts, schedules, and projects are not always known to supervisors and/or managers.

SAM 20050 states in part, "Symptoms of Control Deficiencies - Experience has indicated that the existence of one or more of the following danger signals is usually indicative of a poorly maintained or vulnerable control system. These symptoms may apply to the organization as a whole or to individual units or activities. Entity heads and managers must identify and make the necessary corrections when warned by any of the danger signals listed below.

1. Policy and procedural or operational manuals are either not currently maintained or are nonexistent.
2. Lines of organizational authority and responsibility are not clearly articulated or are nonexistent...
4. Line supervisors ignore or do not adequately monitor control compliance.
5. No procedures are established to assure that controls in all areas of operation are evaluated on a reasonable and timely basis.
6. Internal control weaknesses detected are not acted upon in a timely fashion..."

This decreases the board's ability to monitor and establish the proper accountability for employees working and traveling outside of the office. Additionally, this results in inadequate internal controls when guidelines and expectations are not properly communicated and adhered to by managers, supervisors and employees. Lastly, it could result in management's inability to contact and/or locate employees.

Recommendation:

Establish and communicate written policies and procedures for all employees to follow when working outside of the office and monitor for compliance.

Corrective Action Plan

Several procedures have been implemented in an effort to provide effective supervision of staff and productivity that ensure Board goals and objectives are met. Controls are now in place to ensure all employees are accountable. Policies and procedures will be documented and incorporated into desk procedures by September 30, 2016.

Auditor's Comments on the Board's Response

To provide our perspective on three of the Board's responses to our audit findings, we are commenting on the issues below. The letter to the left corresponds with the letter placed in the copy of the Board's response. (p.9, 18, and 20)

A

There are still concerns regarding the Board mass filing documents (renewals, batch mail with address changes and name changes, etc.) by month and year. Without correction this process will continue to make it difficult to locate specific documents that were previously submitted. When a document needs retrieval it is difficult for an employee to determine when it was received and it is time consuming to look through the mass file by date to find the appropriate document. Additionally, continuing this process will not eliminate the need for requesting applicants/licensees to resubmit documents that are already in the Board's possession but cannot be located. Lastly, filing the documents within a licensee's file is more effective and efficient. It is more efficient to remove renewal documents that have a retention period of four years each time that the licensee file is reviewed during the renewal process instead of having to look at a complete separate filing system.

B

There are concerns regarding the Corrective Action Plan response by the Board conflicting with the Business and Professions Code Section 2866, Section 4511 and BVNPT forms (i.e., Instructions of Applicants for Licensure, Summary of Requirements for Licensure and Application for Vocational Nurse Licensure by Endorsement). The Board's response advised that a "signature under penalty of perjury" is sufficient regarding the completion of an applicant's 12th grade education or its equivalent. However, BVNPT Instructions to Applicants for Licensure, states in part, "Proof of 12th Grade Education - Attach proof of 12th grade education or its equivalent. A Copy of your high school diploma or GED Certificate is acceptable." BVNPT Summary of Requirements for Licensure, states in part, "Furnish proof of completion of the 12th grade of schooling or its equivalent." Lastly, BVNPT Application for Vocational Nurse Licensure by Endorsement, states in part, "All applicants must provide proof of 12th grade education or its equivalent. A high school diploma or GED certificate is acceptable."

These statements require an applicant to submit proof to the Board along with their application regardless of what was previously submitted to a school. The requirement of submitting proof of education and the Board's practice of not verifying that proof was submitted is not consistent.

C

There are concerns regarding the online renewal process. The Board's Corrective Action Plan of "utilizing a random audit process to verify continuing education units on a monthly basis" and stating that the "licensees are required to sign under penalty of perjury the continuing education requirement has been met upon each renewal" does not address the fact that the Board is not requiring a licensee to mail their proof nor attach proof to their online renewal.

The Business and Professions Code Section 2892.5 Continuing Education Requirements, states "Each person renewing his or her license under the provisions of this chapter shall submit proof satisfactory to the board that, during the preceding two-year period..." California Code of Regulations, Title 16, Article 7 Continuing Education, Section 2592.1 Hour Requirements, states in part, "Each licensee renewing a license...shall submit proof of having completed, during the preceding two years, thirty (30) hours of continuing education acceptable to the Board." The Board and licensees are not adhering to what's required of them if the proof of continuing education is not submitted. This situation also contributes to the additional time it takes to perform continuing education audits because the Board has to spend additional time and effort requesting documents that previously should have been submitted or are already in the Board's possession.