

Per California Code of Regulations, title 2, section 548.5, the following information will be posted to CalHR's Career Executive Assignment Action Proposals website for 30 calendar days when departments propose new CEA concepts or major revisions to existing CEA concepts. Presence of the department-submitted CEA Action Proposal information on CalHR's website does not indicate CalHR support for the proposal.

A. GENERAL INFORMATION

1. Date

1/14/2016

2. Department

California Department of Veterans Affairs

3. Organizational Placement (Division/Branch/Office Name)

Administrative Services Division

4. CEA Position Title

Assistant Deputy Secretary, Chief of Accounting

5. Summary of proposed position description and how it relates to the program's mission or purpose. (2-3 sentences)

The proposed concept for this allocation is as follows:

This new position will direct and manage the accounting functions of the eight (8) statewide Veteran Homes of California (VHC) elderly care facilities (VHC-Yountville, VHC-Redding, VHC-Fresno, VHC-Barstow, VHC-West Los Angeles, VHC-Ventura, VHC-Lancaster, VHC-Chula Vista), the California Veterans Home Loan Program, and the California Department of Veterans Affairs (CalVet) Headquarters operation.

This position will directly influence policy decisions and will provide policy and procedural oversight to the California Department of Veterans Affairs (CalVet) accounting operation as the many control agencies refine existing regulations, laws, rules, and guidelines and, through legislation and Executive Order, create new laws, rules, and regulations governing State and Generally Accepted Accounting Practices (GAAP).

6. Reports to: (Class Title/Level)

Deputy Secretary Administrative Services

7. Relationship with Department Director (Select one)

- Member of department's Executive Management Team, and has frequent contact with director on a wide range of department-wide issues.
- Not a member of department's Executive Management Team but has frequent contact with the Executive Management Team on policy issues.

(Explain):

8. Organizational Level (Select one)

- 1st
- 2nd
- 3rd
- 4th
- 5th (mega departments only - 17,001+ allocated positions)

B. SUMMARY OF REQUEST

9. What are the duties and responsibilities of the CEA position? Be specific and provide examples.

Under the administrative direction of the Deputy Secretary of Administration, the Assistant Deputy Secretary, Chief of Accounting, will be responsible for agency accounting policy formulation and implementation and the management and supervision of the CalVet Accounting Office. The California Department of Veterans Affairs (CalVet) has an operating budget of approximately \$427 million which includes appropriations for the general fund, the Farm and Home Loan Program, nine (9) revolving funds, and other special funds. This position will have responsibility over travel and reimbursement control; property and equipment depreciation; revenue and reimbursements posting and tracking; accounts receivables; accounts payable; cost accounting; victims compensation claims (Board of Control), legal settlements, and federal grant reporting. This position will provide policy and procedural oversight and technical assistance to program managers, supervisors, and staff in headquarters and the eight (8) veterans homes on functions that are performed or provided by the Accounting Office in headquarters and/or on-site at the veterans homes. This position will have daily/ongoing interactions with control agencies such as the State Controller's Office (SCO), the Department of Finance (DOF), the State Treasurer's Office (STO), and the Department of General Services (DGS); banking institutions; the United States Department of Veteran Affairs (USDVA); and other state, federal, and local entities as well as vendors that do business with CalVet.

*Provide oversight and the full range of management and supervision of a diverse mix of 50 accounting staff via subordinate supervisors who are responsible for accounting tasks associated with at least thirteen funds/appropriations and standard and complex accounting functions including but not limited to general ledger, claim schedule processing, revolving funds, accounts receivables, accounts payable, federal grants management, loans, cash management, reconciliations, collections, medical billing, cashiering and cost accounting, lease revenue, capital outlay, and federal construction and grant funds. Provide functional and policy oversight and training to fiscal and business offices in the veterans homes located throughout the state. Manage and provide oversight on recording financial transactions to CalStars. Prepare and submit year-end financial reports. Analyze financial data presented in fiscal reports (Budget Reports, Cash Flow Reports, reimbursements, and Financial Statements) for accuracy, trends, organizational impact, and cash availability. Administer special funds and equipment funds provided from the Federal grant for the construction of the new Veterans Homes in West Los Angeles, Lancaster, Ventura, Redding, and Fresno. Coordinate federal reporting requirements with DGS.

*Serve as a member of the Agency's Executive Management team. Exercise full management and supervisory responsibility in charge of accounting services with responsibility for policy formulation and implementation. Responsible for working closely with all agency and field management staff in making agency wide decisions and implementing the goals and objectives of the Agency's Strategic Plan. Represent the Agency at legislative hearings, meetings with SCO, STO, and DGS.

*As primary contact, oversee the new statewide Financial Information System for California (FI\$CAL) integration with current systems used by the Accounting Office. Provide technical consultation to management and program supervisors on federal reimbursements, accounting of funds, budgeted expenditures, encumbrances, liabilities, unreimbursed costs of care, and uncollectable reimbursements.

*Evaluate existing policies within CalVet Accounting and identify possible internal control weaknesses. Identify and implement solutions to correct problem areas. Develop and implement new policies and procedures in accordance with applicable State and Federal laws, rules, and regulations and control agency directives.

*Provide Executive Management statistical reports and projections on financials and provide recommendations and alternatives. Resolve complex problems involving accounting issues, policies and protocols.

B. SUMMARY OF REQUEST (continued)

10. How critical is the program's mission or purpose to the department's mission as a whole? Include a description of the degree to which the program is critical to the department's mission.

- Program is directly related to department's primary mission and is critical to achieving the department's goals.
- Program is indirectly related to department's primary mission.
- Program plays a supporting role in achieving department's mission (i.e., budget, personnel, other admin functions).

Description: The California Department of Veterans Affairs mission is to serve California's Veterans and their families. This is done through the administration of various programs such as the California Veteran Home Loan Program, the Veteran elderly care home facilities, the state veteran's cemeteries, and the statewide Veteran Services offices. This position will directly control policy and procedures for all accounting functions connected to each of these programs. These accounting functions are critically affected by ongoing state and federal legislation, laws, rules, and regulations. The Assistant Deputy Secretary, Chief of Accounting, will ensure that all mission and strategic goal related fiscal and financial management policies and procedures are properly developed and implemented.

B. SUMMARY OF REQUEST (continued)

11. Describe what has changed that makes this request necessary. Explain how the change justifies the current request. Be specific and provide examples.

In May of 2008, the Board approved a CEA allocation for an Assistant Deputy Secretary Financial Management Services (Chief, Financial Manager) to oversee the CalVet Accounting Office, Budget Office, and Business Services/Office of Procurements and Contracts. Since that time, the Agency has grown significantly. The Agency has built and opened five (5) new Veterans Homes; opened a new State Veterans Cemetery in Igo California; broke ground on a new, joint venture Federal/State Veterans cemetery in Monterey; grown the Veteran Services Division Veteran Claims Representative staff from four (4) staff to nineteen; and the Farm and Home Loan program has grown from 284 loans funded in fiscal year (FY) 2013 to 485 loans in FY 2014. Loans funded in FY 2015 are projected to reach 750. This growth has greatly affected the three (3) units directed by this single CEA position. Each of the three (3) programs' responsibilities under the direction of this CEA has grown significantly and with that growth has come increased complexities of regulation and consequence of error in each of these units. The growth in the programs has resulted in a greatly expanded workload and increased demands on the time and resources of the Chief, Financial Manager position. The incumbent Chief, Financial Manager separated from the Agency on May 1, 2015. At this time, oversight of the Business Services/Office of Procurements and Contracts unit was put under the direction of the Assistant Deputy Secretary-Capital Assets and Facilities Management. As a result of this vacancy, it is the Agency's desire to reconfigure the Administrative Division and allocate a CEA manager level position to oversee each of the remaining two (2) programs under this position's administration. The growth in the responsibilities of the CalVet Accounting Office and the increase in need for policy interpretation, development, and implementation in the area of financial accounting supports this re-configuration and this request.

C. ROLE IN POLICY INFLUENCE

12. Provide 3-5 specific examples of policy areas over which the CEA position will be the principle policy maker. Each example should cite a policy that would have an identifiable impact. Include a description of the statewide impact of the assigned program.

The Assistant Deputy Secretary, Chief of Accounting will play a key role in influencing policy making for financial and accounting management issues (as well as medical billing and revenue collection), and is responsible for implementing agency accounting policies across multiple programs, in multiple facilities throughout the State, and agency-wide. Specific policy roles include:

FI\$CAL – Financial Information System for California – Business transformation project for state government in the areas of budgeting, accounting, procurement and cash management. This position will be one of the Business/Finance SME's (subject matter expert) in the implementation of this project at the Department of Veterans Affairs. This will affect the business process for the entire financial functions of the Department and its policies and procedures, rules, and regulations.

ICD10 – International Classification of Diseases Coding System – HIPPA 1996 (Health Insurance Portability and Accountability Act) and PAMA (Protecting Access to Medicare Act) 2014 – The Medical Cost Recovery and Revenue Support Unit is responsible for the accuracy of diagnosis codes to prevent improper use of the new codes in our billing processes which may prevent payments of Medicare and Medi-Cal claims and potential loss of revenue to the Department.

CMS – Centers for Medicare and Medicaid – Medical Billing – The Centers for Medicare and Medicaid Services is a federal agency within the United States Department of Health and Human Services that administers the Medicare program and works in partnership with state governments to administer Medicaid, the State Children's Health Insurance Program, and health insurance portability standards. In addition to these programs, CMS has other responsibilities, including the administrative simplification standards from HIPPA, quality standards in long-term care facilities through its survey and certification process, clinical laboratory quality standards under the Clinical Laboratory Improvement Amendments, and oversight of HealthCare.gov.

Control Agencies – The Accounting Office is responsible for the implementation of any new policies, procedures, rules and regulations from the states control agencies; SCO, STO, DGS, DOF, Calstars and Fi\$CAL, and the Victims Compensation and Government Claims Board Control Board (VCGCB).

Other policies, rules and regulations that govern the Accounting office: The State Administrative Manual (SAM), Uniform Codes Manual (UCM), Generally Accepted Accounting Principles (GAAP), State Contracting Manual (SCM), Military & Veterans Code (MVC), CA Code of Regulations (Title 22 & Title 12).

C. ROLE IN POLICY INFLUENCE (continued)

13. What is the CEA position's scope and nature of decision-making authority?

This position will be responsible for implementing agency fiscal policies statewide and across multiple programs. Specific policy roles include the identification, implementation, administration and determination of all policies relative to fiscal operations, cost analysis, and accounting. As a member of the Executive Staff, this position will have responsibility for developing, standardizing, administering and evaluating policy and objectives on an agency-wide basis. The incumbent will work directly with the Secretary, Undersecretary, and the Deputy Secretary of Administration. The incumbent will diagnose business problems, design, recommend, and execute strategic solutions to address a variety of complex fiscal operations and financial management challenges. The incumbent may represent the Agency and the Secretary for financial issues before the Legislature, Governor's Office, high-level State managers, VCGCB, SCO, and the California Veterans Board on matters pertaining to the lev

14. Will the CEA position be developing and implementing new policy, or interpreting and implementing existing policy? How?

This position will be both developing and implementing new policy and interpreting and implementing existing policy.

Developing new policy from the federal Centers for Medicaid and Medicare Services, SAM, legislation and new government code additions or revisions, Control Agency directives such as Budget Letters and Management Memos, the GASB, SCM, as well as our own internal Veteran Homes policy changes. Implementing new policy and interpreting and implementing existing policy through the Executive Management Team, subordinate staff, and department managers and supervisors at headquarters and throughout the eight veterans homes.