

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

1/1/2017

2. Department

State Controller's Office

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

Division of Administration and Disbursements

4. CEA Position Title

Assistant Chief, Administration and Disbursements

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

The Division of Administration and Disbursements (ADD) is responsible for support services to all SCO including budgeting, accounting, contracting, training, procurement, and facilities. In addition, ADD produces the warrants (checks) and electronic funds transfers from the State Treasury , annually issuing about 49 million payments including state payroll, retirement rolls, Medi-Cal, personal income tax refunds, and payments to vendors.

6. Reports to: (Class Title/Level)

CEA, Chief of Administration and Disbursements

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): Advises Executives on matters related to contracts and procurement; and departmental accounting management policy issues

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.

With general direction of the Chief ADD, the incumbent will be responsible for coordination of planning, organizing and directing of the work of the subordinate managers engaged in the operations of the fiscal accounting, budgeting, and contracts and procurement. In addition, the Assistant Chief is responsible for oversight and coordination of a Special Project Team to implement FI\$Cal project implementation changes to departmental accounting, budgeting and contracts/procurement functions and develop a project costing model and other sensitive and highly technical projects for the department.

- With a high degree of independence, ensure that the planning, organizing and directing of the work of subordinate staff not only meets but furthers the constitutional and statutory responsibilities of the SCO as central authority, which includes oversight of the fiscal operational needs within the department accounting; budgeting; and contract and procurement functions. Provide administrative direction and board policy guidance to the department-wide Special Project Team dealing with the implementation of new FI\$Cal system functions, the development of a project costing system and other sensitive highly technical projects that impact the Controller's Office in the aforementioned areas.

- Develop, augment, review policies and procedures for operations that are consistent with the Controller's constitutional and statutory responsibilities; recommend resolution of policy disputes or other issues relating to accounting, budgeting, contracts/procurement department-wide.

- Advise the Chief ADD, Controller/Chief of Staff or designee, Governor's Office representatives, legislative bodies and other key governmental officials on matters relating to SCO fiscal operation of the State of California and the implementation of major data processing processes. May also give expert testimony in broader issues involved in these programs.

- Assist in the oversight of the division's operating budget, personnel management and critical support functions; coordinate the planning, organizing and directing the work of subordinate staff engaged in accounting, budgeting, contracts/procurement and Special Project Team operations. Act on behalf of the Division Chief whenever necessary.

- Provide recommendation in matters of subordinate division operations impacting other state agencies, including the provision or non-provision of services and the SCO requirements for central agency processing.

- Coordinate efforts between divisions regarding programmatic needs, budget reallocations, critical initiatives, priority funding, budget allotments/expenditures to ensure overall mission achievement; provide high-level budgetary scenarios through the Division Chief to Senior Executive Management for consideration and decision making efforts.

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 program performs essential functions required for day to day operation of the department, overseeing its Department Accounting Office (DAO), Budgets and Contracts and Procurement units. These functions are critical to the daily SCO operations to provide prompt and accurate payment of the State's bills and payment to state employees, retirees and support of SCO operating divisions in meeting their goals to provide state-wide services to other agencies and the public.

The Budget Office provides financial guidance to all operation levels within the SCO so that approved funding is utilized in accordance with existing laws, regulations, and policies. The office works closely with the program divisions to develop and track annual budgets and strives to obtain from the Department of Finance and the Legislature the position and dollar resources needed to support SCO programs. This office serves as the SCO's fiscal liaison with other departments and control agencies in most fiscal-related matters, as well as, responds to inquiries from various Senate and Assembly subcommittees, the Legislative Analyst's Office, the Department of Finance and other state agencies as necessary.

The Accounting Section of the ADD accounts for the financial support to various departmental programs. The departments revenue must be recorded timely and accurately to each Fund/ Program so operating costs can be paid. The DAO develops and implements policies and procedures related to automated accounting systems, fiscal control accounting for appropriations and revenues; departmental fixed assets.

The Contracts and Procurement office manages the Delegated Purchasing Authority program, annual reporting, and other responsibilities for the requisition of goods, services and commodities through a subordinate managers and professional staff, which involves periodic audits. Ensure that staff complies with the State's purchasing and contracting guidelines and mandates; and consultant services. Oversee implementation of the SB/DVBE programs. Review and approve all documents related to acquiring goods/services for the SCO including advertising and solicitation documents, i.e., RFP, RFQ, CMAS, etc. Consult with Department of General Services' Office of Administrative Law and Procurement Office, program managers, Accounting and Budget staff, Legal Counsel, other State agencies and private contractors; and advises management on sensitive procurement-related matters.

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.

Implementation of the new FI\$Cal accounting, budget and purchasing system allows SCO to revise its policies and procedures around how expenditures are made, organized and tracked, in ways that will enable SCO to more accurately account for expenditures by program area. Although SCO has 5 main program areas, each main program consist of hundreds of subprograms. Correctly tracking and distributing costs among these programs is an essential step towards setting reimbursement rates and billing SCO's client agencies. Since abut one third of SCO's funding is reimbursements, one third is special fund and the remaining third is General fund, it is important that SCO maintain policies, processes and procedures to ensure that costs are tracked for each service performed, which is the basis for the rates charged to clients. This will involve working with all divisions to set policies and procedures around the concept, methodology and to enforce departmental compliance. Additionally, the ADD needs to have an Assistant Division Chief that will learn and support the full level of Division Chief's responsibilities and serve as a potential successor to the position.

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 SCO has the distinction of having hundreds of tasks to perform that fluctuate in effort from year to year; however, its fund sources are consistent year to year. This poses a challenge to ensure the fund authorization received each year aligns with the work expenditures, and SCO's ability to collect reimbursement from special funds and/or client agencies.

-Improve Rate-Setting policies and procedures for quality, accuracy and fairness for billings to SCO client agencies. For example, the Division of Audits may contract with a department to perform audits of the department's programs and be reimbursed for its costs to perform the audits. There is no way to know in advance exactly what the bill will be, until the audits are performed and the hours are calculated and bills are drafted. However, SCO secured the reimbursement authority in advance, based on estimates. There will be some level of variance between the authorized amount and actual billing at year end. Multiply that fact by the hundred or so contracts, and the variance grows. Should SCO not collect the nearly \$60 million in reimbursements, then the General fund must cover the costs. However, SCO receives a finite amount of General Fund that was gained for other purposes. So the impact of under collection of reimbursements means that something that was supposed to be supported with General Funds dollars will have to be deferred. This requires policy coordination with Divisions to continuously adjust departmental priorities. This position will be responsible to set policies regarding the collection of expenditure data from which policy decisions can be made; to set policies on how reimbursement rates will be set, including the distribution of administrative and IT costs; to set policies on how funds will be adjusted (i.e. through absorption, BCP or a Budget Revision process) to address fluctuations in funds; to set policy recommendations on department priorities using existing funds; and to recommend policies to increase or reduce resources to meet short and long term goals.

-FI\$Cal Project process implementation and assessment of process and procedure impacts on accounting, budget, contracts/procurement functions at the SCO and other state agencies. If the new processes or procedures are not working well, then the CEA would formulate operational alternative recommendations to the SCO executive management and provide potential policy changes to the project for operational improvements.

- Improvement of budget expenditure tracking and funding allocation methods. The Special Projects Team under the direction of the CEA A (Assistant Division Chief) will review, assess and develop policy and procedural changes that provide efficiencies to various fiscal operations within the SCO. These operations may involve improvements to accounting, budget, procurement systems, as well as, administrative efficiencies.

C. ROLE IN POLICY INFLUENCE (continued)

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

The CEA position's scope of decision-making authority includes departmental accounting policies, departmental budgeting processes and policies, implementation of procurement policies and procedures, and development and implementation of new procedures and procedures related to project completed by the Special Project Team (i.e., project costing, other future projects). The CEA will act as an advisor to the State Controller, the executive staff, the Department of Finance, the Department of General Services, the FI\$Cal Project and legislative committees. This position has full decision making authority in the assigned programs areas.

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

This position will be developing and implementing new policy as well as implementing and modifying existing policy. New policies will be developed as required to meet the Controller's constitutional and statutory obligations. Existing policies will be reviewed and updated as required, commensurate with constitutional and legislative mandated changes impacting the departmental accounting, budgeting, and procurement/contract activities.