

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

08/08/2018

2. Department

State Controller's Office

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

Unclaimed Property Division

4. CEA Position Title

Chief, Unclaimed Property Division

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

In an effort to support the initiative of the Governor and the California Department of Human Resources in its objective to facilitate Civil Service Reform and to specifically reduce the number of classifications currently existing in State Government, the State Controller's Office respectfully requests the establishment of a Career Executive Assignment category, level B, in lieu of the use of its agency specific classification; Chief, Division of Collections, SCO; class code 4055.

With general direction provided by the Chief Deputy State Controller, Operations, CEA Level C, this position will plan, organize, direct, establish policies, procedures, and set program initiatives within the Division of Unclaimed Property on behalf of the State Controller. According to the directions set by the Controller, this CEA category is expected to develop and implement strategic plans and programmatic enterprise value stream coordination to effectuate efficiencies in work flow, valuation, and strategies to enhance constitutional commitments governing Unclaimed Property laws.

6. Reports to: (Class Title/Level)

Chief Deputy State Controller, Operations, CEA Level C

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.

The CEA Level B, Chief, Unclaimed Property Division, (UPD) is consistent with the civil service classification in which the incumbent will be responsible for providing leadership management oversight of the Unclaimed Property Program. It will be responsible for developing, amending, and implementing all UCP policies; formulate and implement long and short range goals, plans, and develop strategies related to enhance program productivity and enforcing the requirements of the law and regulations governing unclaimed property. It will also act as a member of the SCO's senior management structure and, at times, have direct access to the Controller as she oversees public policies and the administration of her Office. Still, and as part of the senior management team, the Chief, UPD will provide consultative services to the Executive Office/Chief of Staff, or the Controller, regarding the maintenance of and make decisions that could impact revenue goal achievements for the program. This position will represent the State Controller at various Unclaimed Property conferences when required, and coordinating new and innovative ideas in conjunction with other States responsible for the collection of abandoned properties.

This concept will function as a key advisor to administrators responsible for the fiscal integrity of the unclaimed property received from reporting businesses, which includes banks, other financial institutions, and credit unions to name a few. The Chief, UPD will promote the development of strategic legislation intended to protect the property of the citizens of California. Such protection could include consideration for modifying the escheatment period of abandoned property, penalties and interest associated with non-compliance, or interaction between heir finders and the unclaimed property information access. Moreover, and to a greater extent, the Chief, UPD will develop policies related to business services in support of the Unclaimed Property program and superintend opportunities to enhance reuniting owner with their property.

The Chief, UPD will set goals and objectives consistent with the overall mission of the department. It will develop relationships with other entities to increase program capacity for locating and collecting abandoned property such as the Franchise Tax Board, the Board of Equalization, and other authorities tracking business activities within the State of California. It will superintend recording and certification of all monies remitted to the State Treasury resulting from escheated unclaimed property, and publish various required manuals and develop processes to identify regulations, as appropriate. The Chief, UPD will represent the State Controller's Office at various hearing held at the State Capital, and speak before convening bodies to address program needs and/or issues encountered as a result of the Unclaimed Property program.

Through the use of assistant chiefs, subordinate managers/supervisors, the Chief, UPD will coordinate and manage department work flow to ensure timely and accurate processing of receipts and claims. It will ensure compliance with the California Unclaimed Property laws and established policies and procedures. The incumbent will compile data and provide reports regarding current unclaimed property statistics and projections in an effort to evaluate necessary changes to increase efficiencies and the identification of property owners. This position will be responsible for overseeing the leading and mentoring of staff by establishing standards and/or performance measures; creating training and development plans; ensuring effective policies and processes and compliance; assisting in the recruitment, hiring, and training of new personnel; conducting and/or overseeing the performance management process. When called upon, the Chief, UPD will work with the Treasurer's Office to assist with planning, organizing, and directing special events promoting the unclaimed property program. This position will be responsible for providing informational presentations about compliance with the California Unclaimed Property laws and communicate frequently with professional organizations, some public officials, and other state agencies about unclaimed property and the services offered by the State Controller's Office.

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 Unclaimed Property program is critical to the mission of the State Controller. Every state in the United States, District of Columbia, Puerto Rico, Virgin Islands, Quebec, British Columbia, Alberta in Canada have unclaimed property programs that actively and continuously find owners of lost and/or forgotten assets. As the Chief Fiscal Officer for the State of California, the Controller is responsible for the accountability and disbursement of the state's financial resources. More specific to this request, the purpose of the unclaimed property laws is to protect consumers by ensuring money owed to them is returned to them, rather than remaining permanently with financial institutions, business associations, governments, and other entities. Unfortunately, prior to the enactment of unclaimed property laws and the establishment of this state program, there was no centralized means through which owners could seek to recover unclaimed assets. Most companies in possession of unclaimed property had no particular reason or incentive to attempt to locate missing owners entitled to property. Consequently, the Controller has been deemed responsible for safeguarding the rights and interests of these owners and their various types of property otherwise held by these businesses. This is the basis for the program; collecting property that may have been forgotten, deemed inactive, or otherwise abandoned by its owner from banks, investment companies, and other businesses engaged in account services, or the like, with Californians, then making every effort to reunite the two. This program, as well as others offered by the State Controller, are consistent with her mission, goals, and objectives to provide comprehensive fiscal accountability not only for public expenditure of funds, but for the people of whom we serve. That is to say, fiscal accountability is an economic concept that involves strategies for managing debt, the practice of spending intelligently, and safeguarding against fraud and abuse. As it relates to the mission of the State Controller, it is a tool designed to promote best practices for managing financial resources of taxpayers, protecting against misuse or enrichment through means otherwise viewed as inappropriate. Moreover, and in consideration of the Unclaimed Property program, the SCO views the protection and escheatment of personal property back to its original owners, or in some cases, relatives of the original owner, as being consistent with its operational mission in protecting the citizens of California.

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.

On the agenda for the April 12, 2016, State Personnel Board meeting, the State Controller's Office was included in the Board item to transition from department specific high-level classification by use of foot note 24 and replacing those classifications with the C.E.A. category. This decision is consistent with the Governor's overall goal of reducing the number of civil service classifications in State service. Additionally, this agency specific classification was established as a Career Executive Assignment, along with other comparable division chief positions within the SCO. Proposals were submitted to the California State Personnel Board, and to the Department of Personnel Administration justifying the basis for our request and was subsequently adopted by the Board. It was not until the SCO's administration changed, when a new Controller initiated instructions to pursue the conversion of these specific C.E.A. level position to be converted to high-level civil service classifications. It took some time to complete the process, but we were successful, with the help of the Department of Personnel Administration, in establishing our new division chief classifications.

As time progressed, and the Governor's initiative to reform civil service, in part, to reduce the number of civil service classifications within State service, the decision to pursue this conversion was opportunistic. The fact that the CalHR was pursuing consolidation, coupled with the Controller's desire to revisit the management structure of her organization was viewed as serendipitous. The Governor's interest in efficiency and the Controller's interest in more flexibility, was a combination for which pursuit of this request made good management sense. It was viewed as being beneficial for both. More importantly, the approval of this request will be consistent with the intent of the Career Executive Assignment, and provide for better flexibility in the SCO's efforts to recruit as a result of a vacancy.

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.

As the principle policy maker for the Unclaimed Property Division, the following are examples of policies that will be addressed:

- I. Holder and Reporting
 - A. Businesses Case Study
 - B. Report Categories
 - 1. Stocks and Bonds
 - 2. Currency
 - 3. Jewelry
 - 4. Weapons
 - 5. Miscellaneous
 - C. Retention Schedule
 - D. Holder Outreach
 - E. Technology
- II. Audit Criteria
 - A. Type of Business
 - 1. Report History
 - a. Inconsistent report detail
 - b. Balance
 - 2. Interest Assessment
 - a. Legislative changes
 - b. Application
 - c. Amnesty
 - B. Fraud
 - C. Program Changes
- III. Reciprocity and Access
 - A. Multi-State Agreements
 - B. Heir Finders
 - 1. Property Owner Advocates
 - 2. Investigators
 - C. Public Counter
 - 1. Consumers
- IV. Communication
 - A. Advertisement
 - 1. Media Outlets
 - B. Duration
 - C. Auctions
- V. Claim Processing
 - A. Processes Improvements
 - B. Validation
 - C. Confirmation
 - D. Automated Processing
 - 1. Limited dollar amounts
 - E. Account services
 - 1. Evaluation
 - 2. Tracking
 - 3. Identification
 - a. Proof of Relationship
 - 4. Payment

Each of the above-cited policy areas will have a statewide impact. The Unclaimed Property Program, in of itself, is designed to protect the interest of the consumer from lost. Consequently, policies developed and implement to safeguard, protect, and reunite owners with their property in an efficient and effective manner is an identifiable impact. Additionally, for property unclaimed, it could mean the difference for amounts reverted to the California State General Fund. In fact, this program has been responsible for contributing several million dollars to the General Fund over the years of its existence, but more importantly, it has also been responsible for reuniting owners, and/or their heirs, with property that may have been otherwise lost or inappropriately used by the holder.

C. ROLE IN POLICY INFLUENCE (continued)

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

As a key member of the Executive Management Team, this position will have decision-making authority as it relates to overseeing the division's responsibility for Unclaimed Property. It will be involved in the formulation of departmental objectives, policies, and long and short range goals. The CEA Level B will have the independent authority to make decision to that may impact the general public, and individuals engaged in investigatory services. It will make decisions on staffing levels, applied technologies, program changes, and organizational change management and structuring. Decision-making authority will also require a dependence upon experience, knowledge, and expertise in the matter of abandoned property.

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

As program changes occur through legislation and/or court challenges, this proposed C.E.A. concept will implement new policies, as well as modify existing policies to better align services and program results as mandated. Additionally, each of these policies identified by this position, will have a direct correlation to changes in program processes and procedures, as a result of the individual's technical expertise and oversight of the program as a whole. It will also include the need to establish and/or interpret policies with the intent to fulfill the mission, goals, and objectives of the program.