

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

May 10, 2017

2. Department

State Controller's Office

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

Local Government Programs & Services Division

4. CEA Position Title

Division Chief, Local Government Programs & Services

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

The Division Chief is responsible for the planning, organizing, and directing the work of program services, through subordinate staff members, engaged in local government operations in areas in which the State Controller holds constitutional interests as the Chief Fiscal Officer over the expenditure of public dollars. Local governments include counties, cities, special districts, etc., who receive public dollars for purposes established through law to perform services to their community. This division is a "standalone" division resulting from the bifurcation of a larger division. The decision rendered is consistent with State Controller's constitutional authority to organize her department, as she sees appropriate, but in a manner that is consistent with her mission, goals, and objectives. This position will be a member of the Senior Management structure of the Office and report to the State Controller, and/or her designee, similar to existing division chiefs within the organization. It will have responsibility for policy development and be the principle decision maker regarding program operations.

6. Reports to: (Class Title/Level)

Chief Operating Officer, 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.

Oversee accounting, fiscal controls, and reporting for the State of California as it related to Local Government; formulate long-term and short-term goals and objectives, function as a key policy advisor for local government accounting and reporting programs relative to public funds; accomplish statutory and legislative mandates; superintend the apportionment of public revenues; administer cost programs; superintend the receipts of Federal funds; oversee cash management for the General Fund; and, determine the legality of movement of funds within the State Treasury.

Recommend resolution of the most complex governmental accounting issues to the Chief Deputy State Controller, the Deputy State Controllers, and/or State Controller. Assist the State Controller on matters of statutory, constitutional, and policy authority on high-level policy-making committees.

Manage a professional staff responsible for carrying out statutory and legislative mandates in the recording and certification of all monies remitted to and disbursed by the State Treasury. Ensure that managers, through their bureaus, develop, review and adopt operational policies and procedures that are consistent with the State Controller's constitutional and statutory obligations as the State of California's Chief Fiscal Officer. Superintend the apportionment of public revenues and administer cost programs. Oversee cash management for the State of California's General Fund. Determine the legality of movement of funds within the State Treasury.

Formulate goals and objectives. Direct and manage local government accounting, fiscal controls, and reporting for the Office of the State Controller, and ensure that related assignments meet further the constitutional and statutory financial responsibilities of the State Controller. Provide consultative services to the Chief Deputy State Controllers and the State Controller, the Legislature, Chancellor's Office, Governor's Office, and other governmental and private financial institutions regarding accounting and reporting statutes relative to the use of state and/or federal public funds.

Provide private and governmental agencies with final decisions affecting accounting and reporting procedural requirements of the use of public funds for local entities. Function as a key policy advisor for statewide accounting and reporting programs relative to state and federal public funds. Assist the Chief Deputy State Controller's in setting statewide policy for transmittal of funds to and from appropriations and special funds. Formulate positions with regard to legislative issues affecting the state's financial health and the State Controller's statutory and constitutional authority to administer fiscal programs.

All of the aforementioned functions will be performed for Local Governments, including special districts, counties, cities, etc., which report fiscally to the State Controller's Office regarding expenditures, apportionments, tax programs, payments issued, and a host of other public transactions conducted. This new division will have interaction with all local jurisdictions overseeing GASB/GAAP requirements to ensure consistency and integrity in the use of public funds.

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:

As the Chief Fiscal Officer for the state of California, Controller Yee is responsible for accountability and disbursement of the state's financial resources. Controller Yee safeguards many types of property until claimed by the rightful owners, independently audits government agencies that spend state funds, and administers the payroll system for state government employees and California State University employees. The Local Government and Program Services Division performs statewide accounting and reporting functions, issuing reports on the financial condition of local government entities and account for issued payments to and by local governments, schools, and special districts. This division accounts for receipts, payment, balances, and bonded indebtedness for various state funds, and also plays a role in reporting on the financial condition of the state on a monthly and annual basis. It is responsible for apportionments for local governments and schools, for state-mandate, costs and funding; monitors the cash flow of the General Fund; administers and collects estate inheritance and gift taxes; administers the Property Tax Postponement program; set Property Tax policies; oversees county cost plans; and local reimbursements. All are consistent with the constitutional authority of the State Controller and her role as the Chief, Fiscal Officer for the State 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.

Approximately twenty (20) years ago, the Division of Accounting and Reporting and the Division of Local Government and Fiscal Affairs were separate and distinct divisions within the State Controller's Office. Each division was assigned a Career Executive Assignment category as chief of the division. The general focus of the Division of Accounting and Reporting was related to State Government and its reporting requirements and apportionments. Similarly, the Local Government and Fiscal Affairs general focus was related to local government bodies and the reporting requirements and services associated with that group and the public expenditure of dollars for services provided to surrounding communities. However, as the administration changes occurred within the State Controller's Office, the organizational structure also changed. The existing chief positions were converted to high-level civil service classifications, and the C.E.A. concepts were abolished. At the time, the then Controller, modified the organizational structure from thirteen (13) separate divisions, consolidating them into six (6) operating divisions: Personnel/Payroll Services Division; Division of Accounting and Reporting; Division of Audits; Division of Collections; Administration and Disbursements Division; Information Systems Division. These changes resulted in service and program consolidations, and some level of position losses.

Moreover, upon the election and assumption of authority by new administrations, there were efforts initiated to review and/or reassess the continuation of the prior administration's decisions, as well as discussions to reconstitute division programs and staffing levels to better serve the people of California within the Office. The reestablishment of the Local Government and Fiscal Affairs Division (now proposed as Local Government Program Services Division) received low priority up until the most recent administration change within the State Controller's Office. The move to do so was strategic in that program services for local entities were being overshadowed by State Operations and cash flow crisis. Therefore, in an effort to provide local jurisdictions with the services needed, the new Controller initiated the separation of the Division of Accounting and Reporting and reconstituted the Local Government Program Services Division within her organization, and because of that decision, there exist the need for a division chief level to oversee programs and services performed.

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.

Examples of specific policies that this position will act a the principle policy maker are as follows:

1. Generally Accepted Accounting Principles (GAAP) - As GAAP changes occur, the Division Chief, LGPSD will assess the impact to local government bodies and establish policies for the implementation of identified changes. Typically, these changes influences the way local governments prepare financial statements and reports.
2. Reporting - This position will set policy for prescribing uniform accounting and reporting procedures that are applicable to entities that substantially follow a system of accounting prescribed by the Public Utilities Commission, for the State of California, or the Federal Energy Regulatory Commission.
3. Hospital Districts - This position will be expected to establish/modify existing policies and procedures for hospital districts who submit copies of any financial statements to the Controller, in which the hospitals are required to submit to the California Health Facilities Commission or any portion thereof acceptable to the Controller.
4. School Districts - This position will set/modify policies and procedures for the purpose of permitting the compilation of financial transactions of school districts from the Superintendent of Public Instructions as requested by the Controller when required by Government Code Section 12463.
5. Receipts - The division chief will establish a policy identifying appropriate receipt documentations for reporting purposes for local jurisdictions. This policy will impact said entities across the State of California.

C. ROLE IN POLICY INFLUENCE (continued)

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

As with all division chiefs, the proposed C.E.A. category will have decision-making authority over program and business requirements consistent with the mission, goals and objectives of the State Controller. The incumbent will work directly with local authorities to resolve reporting difficulties, promoting transparency in public services, ensuring honesty, integrity, professionalism, and cooperation in meeting the needs of the State in accounting for public resources. In addition, the division chief will have responsibility in rendering decisions in negotiating with fifty-eight (58) counties regarding their cost allocation plans pursuant to delegated authority from the federal Department of Health and Human Services. More importantly, the division chief will make decisions regarding the review, analysis, compilation, and publication of over six thousand (6000) annual financial transaction reports that includes counties, cities, special districts, public retirement systems, transit operators, and transportation planning agencies, all of which is generally used by the California State Legislature, the United States Bureau of the Census, and various interested parties in decision-making.

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 policies. New policies will be developed as required to meet the Controller's constitutional and statutory obligations, as well as changes that may occur as a result of modifications to GAAP/GASB. Therefore, as these modifications occur, the division chief will be required to assess the programs under his/her jurisdiction, review current policies and practices, then make the necessary modifications to appropriately implement or terminate existing activities.