



***Additional Appointments Review
Summary Report
for the
Department of Veteran's Affairs
May 2013***

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California Department of Human Resources (CalHR) reviewed the documentation Department of Veteran’s Affairs (DVA) provided. In conducting the review, CalHR requested and reviewed the following documentation provided by DVA and the State Controller’s Office (SCO): 1) employment and pay history; 2) duty statements; 3) organizational charts; and 4) timesheets.

The review found that as of January 11, 2013, DVA had two (2) managers or supervisors who held an additional appointment in a rank-and-file position. CalHR reviewed the proper use of these additional appointments and the accuracy of the salary paid.

In addition, CalHR also reviewed employees who are exempt from the Fair Labor Standards Act’s (FLSA) overtime requirements in their primary position to determine whether their status as exempt employees was altered by the additional appointment.

CalHR’s review of DVA’s additional positions is now complete. On May 8, 2013, a copy of CalHR’s draft report and a detailed list of the additional appointments was provided to DVA, a copy of which is also attached to this report.

DVA was given 24 hours to identify any of their concerns with the draft report and to provide any supplemental information for CalHR’s consideration prior to CalHR finalizing the report. Over the next sixty (60) days, CalHR will continue to work with DVA on their corrective action plan that is described in further detail below.

Summary of General Findings

The following is a summary of CalHR’s findings incorporating DVA’ responses to the proper use of positions and pay inconsistencies as of January 2013:

- Both of DVA’s additional appointments identified in the report were proper because one of the employee’s additional appointment was permissible pursuant to the Bargaining Unit 16 Memorandum of Understanding and the other employee’s additional appointment was to a different class in a different program area performing distinctly different duties.
- One employee did not work in their additional position in 2012.
- One employee was paid incorrectly which resulted in the employee either being overpaid or underpaid.
 - The total gross estimated amount of overpayments is: \$292.22. Where there have been overpayments, DVA will begin collecting the monies from the employee.

- Example: Clerical errors that resulted in compensating employees for more hours than actually worked.
- The total gross estimated amount of underpayments is: \$5069.26. DVA will issue a warrant to the employee for the amount owed.
 - Example: PLP was deducted from the employee’s additional appointment when it should only be deducted from the primary position or clerical errors that resulted in compensating the employee for less hours than actually worked.
- The employees who are exempt from the overtime requirements of the FLSA in their primary position retained their status as exempt employees.

A detailed list of the additional appointments reviewed can be found in Attachment A.

Corrective Action Plan

On May 16, 2013, DVA was provided a copy of CalHR’s final report. A detailed list of the additional appointments reviewed was also provided to DVA and is attached to this report.

DVA was reminded to adhere to PMLs 2013-007 and 2013-015 and that DVA is not authorized to make any additional appointments for managers and supervisors. Further, DVA was instructed not to work the manager that is not in Bargaining Unit 16 in his additional position that he currently holds. DVA was also advised that in order to separate a permanent employee from their additional appointment, the employee must voluntarily resign.

Options for DVA to consider include:

- For extended periods of time and if specific conditions are met, Arduous Pay may be considered for supervisors and managers if the situation is covered in Pay Differential 62. Arduous Pay – Pay Differential 62 provides compensation to excluded employees that are exempt from FLSA who meet specific conditions and upon approval of the appointing authority (See PML 2013-006).
- Mandatory overtime for rank-and-file employees in the appropriate classifications may be utilized when funding permits.
- Limited-term appointments may be used when funding is available and there is a management need to address backlogs.

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- Temporary reassignments of available employees in appropriate classifications to perform work in different program areas.
- Training and development (T&D) assignments may be considered when there is a management need to address work backlog and existing staffing is inadequate to meet those needs. T&D assignments require that the new assignment be outside of the employee’s current promotional path. T&D assignments are limited to two years.
- Acting assignments may be authorized pursuant to State Personnel Board (SPB) Rule 302.3 to make emergency appointments on an acting basis to established positions for 20 to 60 working days. These appointments shall meet a specific and reasonable operational need and involve a substantial change in duties.

DVA is to process personnel employment history and payroll documentation to correct underpayments or overpayments. In addition, DVA is to ensure that salary and overtime payments for time worked in the additional appointment are made according to salary rules, the FLSA, and in accordance with attendance and payroll processing procedures.

To minimize the error rates for appointments and payment of employees in the future, DVA’s Chief of Human Resources is to ensure that all staff are adequately trained and provided with periodic refresher training. DVA is to develop and implement internal audit programs to ensure standardized methods of personnel processing are used within their department.

In addition, CalHR will continue to work with DVA to correct the current additional positions and pay inconsistencies outlined in the attached list and will provide training as necessary. DVA is reminded to utilize all available resources to ensure proper appointments are made according to civil service laws, rules, and policies.

Suggested training topics include:

- Attendance Timesheet Documentation, Processing and Auditing
- Employment History Documentation and Processing
- Payroll Documentation and Processing

All corrective actions as discussed with DVA and outlined in the attached listing are due to be completed by DVA and reported to CalHR within 60 calendar days from the date of this report.

Conclusion

CalHR would like to express our thanks to all of the DVA’s staff for your cooperation.

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Questions and all responses regarding this report should be directed to CalHR Personnel Services Branch, Kim Herlache at kim.herlache@calhr.ca.gov or at 916-324-9411.

Attachment A – Additional Appointments Review Findings

CIVIL SERVICE EMPLOYEES WITH ADDITIONAL POSITIONS IN THE SAME DEPARTMENT, WHERE THE PRIMARY POSITION IS NOT RANK AND FILE

SORTED BY DEPARTMENT, PRIMARY POSITION

DATA AS OF 1/11/2013

AUDIT FINDINGS AS OF 4/15/2013

DEPARTMENT NAME	PSN SEQ	TIME BASE	APPT TENURE	CBID	WWG	PAY FREQ	PRIMARY PSN	POSITION NUMBER	CLASS TITLE	MONTHLY SALARY TOTAL	HOURLY RATE TOTAL	Proper Use of Additional Appointment	Why the Additional Appointment was properly or improperly used?	DID NOT WORK IN 2012	NO PAY DISCREPANCIES	PAY DISCREPANCIES - ESTIMATED GROSS UNDER PAYMENTS	PAY DISCREPANCIES - ESTIMATED GROSS OVER PAYMENTS
VETERANS AFFAIRS	01	FT	P	M16	SE	M	Y	573-365-7561-003	CHIEF PHY & SURG	\$15,690.01							
VETERANS AFFAIRS	02	INT	P	M16	SE	M		573-365-7561-929	CHIEF PHY & SURG		\$94.91	Yes	Bargaining Unit 16 allows additional appointments to bargaining unit classes.		X		
VETERANS AFFAIRS	01	FT	P	S15	2	M	Y	573-210-2113-001	LAUNDRY SUPVISOR I	\$2,510.40							
VETERANS AFFAIRS	02	INT	P	R15	2	M		573-625-2083-929	BARBERSHOP MANAGER		\$15.34	Yes	Different classes and different program areas.			\$5,069.26	\$292.22