

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

2025-04-03

2. Department

California Prison Industry Authority

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

Risk Management

4. CEA Position Title

Assistant General Manager, Risk Management

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

CALPIA requests to establish a new CEA B position to lead the new Risk Management Unit. The proposed CEA B will oversee the highest levels of risk management services to the agency in support of its mission. These redirected units and/or functions will include but not be limited to: Health and Safety, enterprise resource software (SAGE-X3), internal and external audits; whistle-blower complaints and the Safety, Audits, & Compliance Units. This incumbent will have statewide accountability and oversight of these programs. The addition of the proposed CEA B will have a direct impact on CALPIA's mission to reduce recidivism through the rehabilitation of incarcerated individuals who participate in the robust training programs put forth by CALPIA through the mitigation of potential risks that CALPIA is exposed to due to the complex nature of work.

6. Reports to: (Class Title/Level)

Career Executive Assignment, 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 California Prison Industry Authority (CALPIA) delivers a comprehensive training program for eligible incarcerated individuals who meet a specifically outlined set of criteria, developed by both CALPIA and the California Department of Corrections and Rehabilitation (CDCR). The various training programs are intended to help reduce recidivism by providing training and job skills to incarcerated individuals which they can then apply to secure a private sector job once released.

By establishing an additional leadership position within the second organizational level, we will be providing the agency with a focused executive resource to monitor and develop solutions for potential and existing risk analysis and management. The proposed CEA is a necessary leadership role working directly with the General Manager (GM) and Chief Assistant General Manager (AGM) to lead CALPIA into the foreseeable future.

Leading a unique agency like CALPIA requires tremendous policy development and oversight of existing enterprises to ensure the best practices and safety measures are in place for not just the incarcerated individuals, CALPIA staff and CDCR staff, but also for the safety of the general public. As enterprises emerge and/or current enterprises adjust to business changes, security measures must be updated; the proposed CEA will have responsibility to develop, recommend and/or oversee the potential risks facing the agency not only from a health and safety perspective, but also over compliance, internal and external auditing, and overseeing the agency's enterprise resource planning (ERP) software management and its complexities.

Sage X3 is an Enterprise Resource Planning (ERP) software currently being deployed statewide within CALPIA to manage departmental operations at the nucleic level. CALPIA utilizes this ERP to assist with production management, specifically to plan, schedule, and monitor production processes in real-time. Sage X3 provides real-time visibility into quality and costs, supply chain management, fiscal management, invoicing, parts tracking, and multiple other enterprise tasks. This position is responsible for developing and updating established CALPIA statewide policies related to Sage X3.

This position will also oversee the CALPIA Safety and Compliance Unit (SACU) which encompasses the agencies Health & Safety, Quality Management Section, and Regulatory Compliance Office. As a state agency with responsibility for the oversight of industrial training programs, CALPIA has received certification from the International Organization of Standardization (ISO) 9001, an international standard that established criteria for quality management systems. Introduced in 1987 by the ISO, an organization made up of the national standards bodies of more than 160 countries, ISO 9001 is a system based on seven quality management principles, including; customer focus, leadership, engagement of people, process approach, improvement, evidence-based decision-making, and relationship management. This certification provides CALPIA with necessary certifications that help to demonstrate to our partners and customers that the products we provide are high quality and responsibly created. Loss of this certification could hinder our ability to sell our products.

Following the COVID-19 pandemic the Occupational Safety and Hazard Administration (OSHA) mandated that certain employers comply with Aerosol Transmissible Diseases (ATD) regulations which has created a significant increase in policy and regulation drafting and enforcements requirements. The ATD regulations require employers to establish and enforce a set of written procedures much more detailed than previously required. Failure to comply leaves the department open to large potential fines and sanctions by OSHA. For example, during the recent pandemic, CALOSHA audited CALPIA and as a result, several findings were identified and sanctions assessed. The proposed CEA B will be responsible for overseeing the audit, reviewing the findings, and making recommendations along with the assigned program AGMs throughout CALPIA to ensure immediate compliance. Further, participating in this process will also help to foresee potential pain points and make recommendations prior to a future audit, thereby reducing liabilities and sanctions.

This position will also be responsible for implementing multiple process improvement frameworks to assist the divisions with continuous improvement and formalizing CALPIA's approach to these practices. Process improvement methodologies to be overseen and managed by this role are as follows: Total Quality Management (TQM) which will be utilized for assessing and implementing improvements in managing CALPIA's supply chain (specifically focused on customer engagement) and for internal and external customer-focused projects; Lean Manufacturing will be leveraged for our manufacturing and services operations to reduce waste, increase efficiencies and continually improve; Kaizen Continuous Improvement for our business operations to assess the values of our current practices, identify waste outside of manufacturing and minimize preventable strain on resources; and Business Process Management (BPM) following the business practices assessment conducted using Kaizen, BPM will be a framework for analyzing, modeling, implementing, monitoring and optimizing the agency's business processes throughout the state.

This position will oversee the development and implementation of the CALPIA State Leadership Accountability Act (SLAA) biennial reporting. Government Code sections 13400 through 13407 require state agencies to maintain internal controls to reduce waste and strengthen government integrity. State agencies must establish and maintain effective internal control systems. Agencies must regularly evaluate and monitor the effectiveness of their internal controls and report on controls every two years to the State Library for public review.

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: CALPIA is a self-funded, customer-focused organization that reduces recidivism and enhances prison and public safety by providing incarcerated individuals with life-changing training opportunities for successful re-entry into the community through rehabilitation and training. Through CALPIA, incarcerated individuals receive industry-accredited certifications that both public and private sector employers value.

In addition, CALPIA's mission supports CDCR's public safety mission by providing incarcerated individuals with the necessary job skills, good work habits, basic education, and job support in the community so upon release, they never return to prison.

It is because of this mission and the symbiotic relationship between CALPIA and CDCR that the Agency requires the proposed CEA's leadership and oversight. While existing positions are focused on mission accomplishment, the day-to-day enterprise operations in more than 30 different institutions, with varying leaderships at each site, can be overwhelming and require immediate attention from the executive management; without access to executive management, we are potentially creating missed opportunities for improvement. Further, mitigating risk management issues is imperative to our continued extraordinary performances and continued growth into the future.

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.

As previously mentioned, in 2024 the Occupational Safety and Hazard Administration (OSHA) mandated that employers create and enforce written policies and procedures on communicating and managing outbreaks of serious health conditions and exposures. These plans must include infection control procedures to control the risk of transmission of Aerosol Transmissible Diseases (ATDs), source control procedures, procedures for screening and referral of patients exhibiting symptoms of ATDs to appropriate facilities for treatment, procedures to communicate with employees, other employers, and the local health officer regarding the known or suspected infectious disease status of referred patients, procedures to reduce the risk of ATD transmission, and medical services for employees. Overseeing and managing a program like this within correctional facilities and hospital settings presents unforeseen long-term work that was not planned for and cannot be managed by existing staff. CALPIA must approve and monitor plans for the Headquarters location and each of the 31 CALPIA locations across California.

As a partner to the California Department of Corrections & Rehabilitation (CDCR), CALPIA's continued focus on providing valuable training opportunities to the incarcerated population is proven to benefit CDCR's overcrowding mandate. CALPIA's system of training and providing an opportunity for a career upon release is critical to the efforts of CDCR to reduce the population of incarcerated individuals and reducing recidivism.

The consequence of the error in delivering a training program to the over 6,000 incarcerated individuals located within all CDCR institutions is by definition a public safety issue. The incarcerated individuals' exposure to dangerous tools, the various levels of security, and the locations of the training programs all have the potential for injury as well as death, whether by accident or intentionally given the nature of working within a correctional institution. Therefore, oversight and training through the setting of policy are critical to CDCR staff, the public, and CALPIA's over 1,000 staff who oversee the programs daily. Any mistake that results in injury or death is always going to bring negative attention and liability. The best way to prevent this is to monitor policies on transport, equipment, and supervision; all of which require the proposed CEA to ensure existing policies are effective and further, recommend changes to those policies or establish new ones as business changes and trends emerge.

By bringing the programs and functions that are tasked with addressing various aspects of risk management, CALPIA will create a shared program where each can learn from each other on how to respond and further, create consistency, demonstrate to staff the decision making processes (urgent, critical, and life saving all have different response mechanisms) and oversee issues before they become major and public problems. CALPIA is not proposing to hide issues, merely creating a program where the issues can be addressed before they have impacted staff, incarcerated individuals, and the public at large.

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 Chief Executive Administrator (CEA) will serve as the primary policymaker for the California Prison Industry Authority (CALPIA), overseeing policies pertinent to public safety, incarcerated individuals in CALPIA programs, and the welfare of over 900 staff members throughout the California Department of Corrections and Rehabilitation (CDCR) institutions across the state. This oversight is vital for CALPIA's mission of reducing recidivism and improving the lives of released individuals, each providing California taxpayers with an annual cost avoidance of approximately \$127,000.

CALPIA collaborates closely with CDCR, which utilizes the products developed by CALPIA's incarcerated workforce. To sustain production goals, both entities must forge interagency agreements delineating expectations and requirements for operational effectiveness.

The CEA's responsibilities encompass developing risk management strategies relating to Safety, Audits, and Compliance, incorporating Health & Safety, Quality Management, and Regulatory Compliance. The role also includes administering emergency policy development in accordance with the Occupational Safety and Hazard Administration (OSHA) regulations, audit findings, and other critical safety risks, as well as response to pandemics or other crises; adapting to demographic shifts among the incarcerated population during critical issues and health-related emergencies.

The CEA will establish policies to mitigate risks associated with audits of all factories statewide, aiming to prevent injuries to both staff and incarcerated workers. It is essential that CALPIA's practices align with those of the private sector to ensure that training effectively equips the incarcerated workforce with transferable skills, allowing them to gain certificates and knowledge to be better prepared to transition to work upon release from prison.

Since initiating the International Organization of Standardization (ISO) 9000 certification process in 2007, CALPIA has successfully certified ten enterprises, with a completion target of 2035 for all remaining enterprises. The CEA will provide high-level oversight for maintaining these certifications, engaging with external ISO auditors, and ensuring regulatory compliance.

In accordance with Government Code sections 13400 through 13407, the CEA will develop policies to enhance internal control systems, combat fraud, and adhere to the State Leadership Accountability Act (SLAA). This position involves collaboration across divisions to submit the required SLAA Report and Plan biannually.

In light of the agency's transition to a new Enterprise Resource Planning (ERP) system, the CEA will oversee policy reviews, modifications, and the implementation of new policies related to the Sage X3 System. With more than 500 existing policies governing ERP management, the CEA's role is crucial in ensuring compliance with evolving regulations and enhancing operational efficiencies, fostering consistency and partnerships throughout CALPIA's executive leadership.

C. ROLE IN POLICY INFLUENCE (continued)

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

The scope and decision-making authority of the proposed CEA will be broad and sensitive and will impact CDCR. The proposed CEA will work closely with CALPIA's executive management as well as CDCR's executive management, when necessary, in developing policies and procedures to mitigate potential and developing risk issues.

The citizens of California will be impacted by the proper policy development of the above example by the continued reduction in recidivism. Approximately 60% of incarcerated individuals have a release date; if CALPIA can provide an opportunity for future employment upon release with employable skills that allow the newly released individual to provide for their family and stay out of prison, CALPIA has helped to reduce CDCR's overhead expenses by approximately \$120,000 per released individual, per year. The more the newly released individual thrives in the community, the more the community also benefits. Keeping the enterprises successful and increasing the number of participants who attain the specialized skills and certification necessary to remain employed in both public and private sectors will be the primary focus of the proposed CEA. In addition, finding new opportunities and bringing on more successful programs and further, increasing the production of consumable products which also reduces CDCR's overhead, will be the proposed CEA's challenge.

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

The proposed CEA will develop and implement new policies for both CALPIA and its subsidiaries throughout all CDCR institutions. In addition, since CALPIA's relationship with CDCR is more in the realm of collaboration on a common goal, the proposed CEA will work with CDCR representatives to recommend improvements in existing policy which would be mutually beneficial to both departments. Further, each existing CEA over their respective programs will recommend and develop and/or amend existing policies to ensure the most efficient method to creating products is in place. The proposed CEA will oversee this policy development and implementation because of the impact on not just CALPIA staff, but there is an impact to CDCR and in some cases, the incarcerated individuals as well.