

December 30, 2019

Alexis Podesta, Secretary
California Business, Consumer Services and Housing Agency
915 Capitol Mall, Suite 350-A
Sacramento, CA 95814

Dear Ms. Alexis Podesta,

In accordance with the State Leadership Accountability Act (Leadership Accountability), the Respiratory Care Board of California submits this report on the review of our internal control and monitoring systems for the biennial period ending December 31, 2019.

Should you have any questions please contact Christine Molina, Assistant Executive Officer, at (916) 999-2212, Christine.molina@dca.ca.gov.

GOVERNANCE

Mission and Strategic Plan

Mission: To protect and serve consumers by licensing qualified respiratory care practitioners, enforcing the provisions of the Respiratory Care Practice Act, expanding the availability of respiratory care services, increasing public awareness of the profession; and supporting the development and education of respiratory care practitioners.

Goal 1: Enforcement Protect consumers by preventing violations and effectively enforcing laws and regulations when violations occur.

1. Seek regulatory amendment to provide that "Commission of an act or conviction of a crime involving neglect, endangerment, or abuse involving a person under 18 years of age, a person 65 years of age or older, or a dependent adult as described in Section 368 of the Penal Code, without regard to whether the person was a patient" shall be considered to be substantially related to the qualifications, functions or duties of a respiratory care practitioner, in order to ensure the Board may take disciplinary action against a licensee for such crimes and to increase consumer protection.
2. Research the legalization of marijuana in the State of California and its impact on applicants and licensees to effectively regulate the new law and ensure consumer protection.
3. Seek legislation to require an individual petitioning for reinstatement of licensure to pass the current licensing exams to ensure competency at the current minimum required level.
4. Recruit and train 2-5 additional subject matter experts (SMEs) to maintain investigative cycle times and ensure consistency amongst SMEs and cases.
5. Create detailed disciplinary action summaries to post on Board's website to provide transparency to consumers.

6. Collect data related to discipline and educational institutions to identify institutions that may be graduating a significant number of students, later subject to disciplinary action.
7. Increase the number of Continuing Education audits to 10% to ensure compliance.
8. Research and evaluate whether BreEZe can be modified to increase efficiencies in auditing licensees for continuing education compliance.
9. Revise and strengthen contract language to require bodily fluid collection sites be available closer to a probationer's home or work to promote compliance.
10. Update disciplinary guidelines to ensure they are current and reflect current laws.
11. Seek legislation to clarify that once an applicant is placed on probation, the applicant is subject to monthly probation monitoring costs in order to recover costs associated with monitoring probationers that are newly licensed.
12. Eliminate the submission of a Department of Motor Vehicles history as a standard application requirement to increase efficiency in the application process.

Goal 2: Education Ensure the initial and continuous competency of all licensed Respiratory Care Practitioners.

1. Develop an action plan to establish laws and regulations or accrediting standards for student clinical requirements to increase consumer protection and improve education outcomes.
2. Develop an action plan to incorporate a baccalaureate degree provision in the Respiratory Care Practice Act (RCPA) to ensure education requirements meet the demand of the respiratory care field.
3. Revise continuing education (CE) regulations to provide clarity and improve program effectiveness.
4. Upon completion of CE revision requirements, develop brochures to be posted to Board's website, and mailed to each licensee to ensure awareness of current CE requirements.
5. Seek legislative authority to approve/disapprove a school based on clinical practice and/or exam pass/fail rates] and/or accreditation status to ensure poor performing programs are not continuing to move unprepared students through their programs.
6. Educate students pursuing RCP licensure about the consequences of having convictions and violations of the RCPA.

Goal 3: Practice Standards Establish regulatory standards for respiratory care practice in California and ensure the professional qualifications of all Respiratory Care Practitioners.

1. Enforce the RCPA against facilities allowing unlicensed or unqualified personnel to perform respiratory care, to cease unsafe practice and ensure patient safety.
2. Identify mechanisms in institutions to fully utilize the respiratory care scope of practice through an educational campaign to decrease costs.

3. Increase communication with the Medical Board of California as it relates to standards of practice for MDs to fully utilize RCPs.
4. Research and collaborate with other state agencies to potentially establish patient care ratios, define a respiratory care unit under Title 22, encourage the use of evidence based protocols, and prohibit concurrent therapy to ensure patient safety and health.

Goal 4: Organizational Effectiveness Enhance organizational effectiveness and improve processes and the quality of customer service in all programs.

1. Establish a program to provide training to new board members in reviewing and applying the Business and Professions Code to enforcement cases.
2. Establish regulations to distinguish documentation required to prove an honorable discharge to codify the process in accordance with Senate Bill 1226 (statutes of 2014) to expedite applications from military personnel that were honorably discharged.
3. Seek a legislative amendment to accurately reflect the name(s) of examinations for licensure to ensure clarity in the law.
4. Develop a module within BreEZe1 to provide clarity and efficiency to Board members in regard to case discipline.
5. Update office equipment to promote efficient and effective execution of daily tasks and responsibilities.
6. Research the integration of BreEZe to a paperless application for licensure in order to improve customer satisfaction by improving processing times and reducing paperwork

Control Environment

The Board consists of nine members: four respiratory care practitioners, four public members and one physician and surgeon. Three members are appointed by each the Governor, the Speaker of the Assembly and the Senate Rules Committee Chair. Members are responsible for establishing policy and overseeing staff performance at a high level. The Executive Officer and two managers are responsible for the oversight of staff, implementing policy, and Board operations. The Board has a total of 17 staff members including the Executive Officer and managers.

Every four years, immediately following the Board's Legislative Sunset Review, the Board conducts Strategic Planning with staff, board members and stakeholders. During the process the Board's values are reviewed and edited as necessary. Currently those values include:

Ethical – Possession of the morals and values to make decisions with integrity that are consistent with the Board's mandate and mission.

Diversity – Recognize the rights of all individuals to mutual respect and acceptance of others without biases based on differences of any kind.

Dignity – Conduct business honorably without compromise to the Board or individual values.

Individual Growth – Strive to continually excel and learn both personally and professionally.

Quality – Strive for superior service and products and meaningful actions in serving stakeholders.

Flexibility – Provide sincere considerations of other interests, factors, and conditions and be willing and/or able to modify previous positions for the betterment of the Board and its mandate and mission.

Teamwork – Strive to work cooperatively and in a positive manner to reach common goals and objectives.

Efficiency – Continually improve our system of service delivery through innovation, effective communications, and development, while mindful of the time, costs, and expectations stakeholders have invested.

The Department of Consumer Affairs (DCA) aids in ensuring the Board's control systems are intact.

Financial: Records are maintained and overseen by the DCA, however Board staff also review budget, revenue and fund conditions routinely to ensure figures are aligned. DCA also requires the approval of expenditures and invoices as well as many other processes are separated and in accordance with current acceptable accounting standards. Finally, DCA provides cashiering services for the Board.

Personnel: The DCA routinely requests updated organizational charts and duty statements. Duty statements are reviewed periodically to ensure they are still current and reflect current duties. The Board also ensures actual hard copy records are secured in accordance with confidential classifications. The office is fairly small so communications often involve management - either at staff meetings or as issues arise. Management insert themselves and take upon problems - including conducting the research - that would expose problems. In addition, the core processes at the Board include management and executive review. The Executive Officer (EO) routinely ties back goals and objectives and every task staff perform has a purpose and that is the Board's mandate and mission to protect consumers. Staff demonstrate a sincere vested interest in the Board's mandate. The turnover rate at the Board is incredibly low. Most staff have been employed at the Board for more than 20 years and most if not all, have had experience in multiple units. The low turnover rate contributes to a highly competent workforce. Though, as will be noted later, the Board does need to focus on developing effective *workforce* and *succession planning* strategies and measures as many will be retiring within a five-year period beginning in 2023.

Information Technology: All information technology security is solely overseen by DCA.

All staff are reminded of DCA security policies and complete training programs annually. All staff are required to sign acknowledgement of numerous DCA policies.

Internal operations also include separation of duties. All application workflow process separate cash flow from application processing. All enforcement actions (close case or pursue discipline) require review and approval of management. Applications and enforcement cases are tracked and reviewed by management on a monthly basis.

Information and Communication

The Board has oversight by its members, the DCA, and the Legislature.

Information is collected by members at board meetings held 3-4 times per year. The EO also stays in regular contact with the Board's President and/or Vice President as well. Staff report at least annually on the Board's fiscal status and enforcement statistics.

DCA communicates through reports, policies, quarterly meetings and other meetings for specific matters. Generally, it is the EO and or one of its managers who attends meetings to collect the information. Policies and reports are shared with pertinent staff as appropriate.

The Legislature provides an in-depth review of the Board and its operations every four years. The Board's last review was conducted in 2017 and is scheduled for review again in 2021. This review is in depth and many staff and all members are involved in this process.

Information collected is either shared with all staff or specific staff. If an implementation plan is required management or the executive officer will establish the plan and share that as well. The Board office also holds staff meetings to share activities of the board, its direction, and review any issues that have arisen.

Because the office is small, everything is fairly open. Any person can speak with any other individual freely. Management has a history of addressing concerns immediately (as warranted), fairly and in accordance with DCA policy. All ideas are encouraged, training and continuing education are encouraged and mutual respect is demonstrated by all staff. The EO accepts honest mistakes and encourages reporting them so action to rectify a problem can be taken immediately.

Communication with other stakeholders is done through correspondence, a website email sign up, and the website. All stakeholders are invited to attend board meetings, strategic planning sessions and sunset review hearings. The Board's website also includes a link for anyone to "submit feedback." On some occasions, we may ask the California Association to share information via their email list serve which includes many management level therapists who will pass on information to their staff.

MONITORING

The information included here discusses the entity-wide, continuous process to ensure internal control systems are working as intended. The role of the executive monitoring sponsor includes facilitating and verifying that the Respiratory Care Board of California monitoring practices are implemented and functioning. The responsibilities as the executive monitoring sponsor(s) have been given to: Stephanie Nunez, Executive Officer; and Christine Molina, Assistant Executive Officer.

The Board utilizes a variety of activities to ensure the effectiveness of internal controls in each unit. Each program (Administration, Licensing and Enforcement) is responsible for instituting controls over its processes and programs, and for ensuring appropriate management review and approval. Such controls include monitoring implementation plans, reconciliations, performance indicators, and monthly review of statistical data.

The Board's control systems are periodically reviewed by the DCA's Internal Audit program. In addition, the Board is reviewed every four years by the Senate and Assembly Sunset Review Committees. Both processes allow the Board to identify opportunities for continuous improvement.

RISK ASSESSMENT PROCESS

The following personnel were involved in the Respiratory Care Board of California risk assessment process: executive management, middle management, front line management, and staff.

The following methods were used to identify risks: brainstorming meetings, ongoing monitoring activities, audit/review results, other/prior risk assessments, questionnaires, consideration of potential fraud, and performance metrics.

The following criteria were used to rank risks: likelihood of occurrence, potential impact to mission/goals/objectives, and timing of potential event.

RISKS AND CONTROLS

Risk: Succession Plan- 50% of Staff at Retirement Age

Nine of the Board's 17 staff members have reached retirement age. As these staff retire, institutional knowledge will be lost.

While many staff are cross trained, the departure of nine staff members within a short time period could have a significant impact on the Board. The time it takes to perform Board staff activities will increase and support and communication with stakeholders will be at risk, along with the history of the board.

Control: Succession Plan

Develop a Succession Plan. The plan's objectives will include:

- Identifying significant agency business challenges in the next 1-5 yrs;
- Identifying critical positions that will be needed to support business continuity;
- Selecting the competencies individuals will need to be successful in positions and to meet identified business challenges;
- Developing a pool of talent to step into critical positions, and
- Reviewing potential position vacancies and capturing the knowledge that individuals possess before departing the agency.

Control: Training

Ensure remaining staff are cross-trained in all areas. Ensure desk manuals are up-to-date.

Control: Communication w/ Staff

Ensure staff and members are aware of the Workforce Plan, including expected departure dates to allow for a stable transition.

Risk: Fi\$Cal-Impacts to Operations and Decision Making

Failure to receive monthly expenditure and revenue reports puts the Board at risk with the inability to verify its financial condition and identify recording errors. The lack of reports also impairs decision making and the inability to ensure its budget is not exceeded.

Control: Elevating Issues to DCA

The Board is in communication with DCA on a regular basis to resolve open items which include posting corrections, programming concerns and report suggestions within the system.

CONCLUSION

The Respiratory Care Board of California strives to reduce the risks inherent in our work and accepts the responsibility to continuously improve by addressing newly recognized risks and revising risk mitigation strategies as appropriate. I certify our internal control and monitoring systems are adequate to identify and address current and potential risks facing the organization.

Stephanie Nunez, Executive Officer

CC: California Legislature [Senate (2), Assembly (1)]
California State Auditor
California State Library
California State Controller
Director of California Department of Finance
Secretary of California Government Operations Agency