

December 22, 2021

Lourdes M. Castro Ramirez, Secretary  
California Business, Consumer Services and Housing Agency  
915 Capitol Mall, Suite 350-A  
Sacramento, CA 95814

Dear Secretary Lourdes M. Castro Ramirez,

In accordance with the State Leadership Accountability Act (Leadership Accountability), the Board of Psychology submits this report on the review of our internal control and monitoring systems for the biennial period ending December 31, 2021.

Should you have any questions please contact Jonathan Burke, Assistant Executive Officer, at (916) 574-7116, [Jonathan.burke@dca.ca.gov](mailto:Jonathan.burke@dca.ca.gov).

## **GOVERNANCE**

### **Mission and Strategic Plan**

The Mission of the Board of Psychology (Board) is to protect consumers of psychological services by licensing psychologists, regulating the practice of psychology, and supporting the evolution of the profession.

The Strategic Goals of the Board are: 1) Licensing 2) Continuing Professional Development 3) Policy and Advocacy 4) Enforcement 5) Outreach and Education 6) Board Operations

Licensing - The Board establishes pathways to obtain and maintain a license to provide psychological services in California.

Continuing Professional Development - The Board ensures that licensees maintain competency to practice psychology in California.

Policy and Advocacy - The Board advocates for statutes and develops regulations that provide for the protection of consumer health and safety.

Enforcement - The Board investigates complaints and enforces the laws governing the practice of psychology in California.

Outreach and Education - The Board engages, informs, and educates consumers, licensees, students, and other stakeholders about the practice of psychology and the laws that govern it.

Board Operations - Board members and staff work together to maintain the resources necessary to implement the Board's mission and meet its goals

### **Control Environment**

Office guidelines and employee expectations are read and understood by all staff joining the Board and are updated as needed.

The Board has a reporting structure that includes the Department of Consumer Affairs (Department or DCA) and the Business, Consumer Services, and Housing Agency (Agency).

The Board's organizational structure consists of three separate units with a front-line manager over each of the units. Each manager reports to the assistant executive officer, who reports to the executive officer. The Board's Executive Officer in turn reports to the Board members.

The Board has established an Administrative Procedures Manual for conducting Board business. Given the proper resources, the Board would develop a similar tool for use by staff to enhance existing procedure manuals.

The Board establishes relevant selection criteria and interview questions when recruiting to fill staff vacancies. The Board collaborates with DCA's Office of Human Resources to ensure eligibility is met. The Board encourages all staff to seek job-related and upward mobility training.

Staff has regular one-on-one meetings with their direct supervisor to clearly articulate expectations and reliably communicate concerns about the ability to meet deadlines.

### **Information and Communication**

On a quarterly basis, staff communicates with the Board about operational, programmatic, and financial updates.

Internally, the Board has a multi-level communications strategy, which includes regular unit meetings, monthly all-staff meetings, monthly email communication from the Executive Officer to the Board, and quarterly management meetings. Externally, the Board produces a quarterly newsletter, maintains accounts on Facebook and Twitter, and regularly updates its website.

Lastly, the Board conducts its quarterly Board meetings via webcast to encourage participation from stakeholders. These meetings are frequently available as live webcasts. Staff can report programmatic concerns and inefficiencies to management at staff meetings, unit meetings, and biweekly one-on-one meetings with their direct supervisor.

### **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 Board of Psychology monitoring practices are implemented and functioning. The responsibilities as the executive monitoring sponsor(s) have been given to: Antonette Sorrick, Executive Officer; and Jonathan Burke, Assistant Executive Officer.

The Board routinely meets one-on-one with staff to identify programmatic problems to enable management to respond to vulnerabilities. Management performs ongoing reviews of completed staff work. The Board conducts an annual evaluation of the Executive Officer's performance, which reflects on the program's overall performance. The Board periodically undergoes comprehensive review of operations by external entities, such as DCA, the Bureau of State Audits, and the State Legislature

(Sunset Review).

Program assessment is routine and ongoing, providing almost constant opportunity for program improvement as vulnerabilities are identified. As vulnerabilities are identified, appropriate staff is assigned to ameliorate the vulnerability.

## **RISK ASSESSMENT PROCESS**

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

The following methods were used to identify risks: brainstorming meetings, employee engagement surveys, 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, timing of potential event, potential impact of remediation efforts, and tolerance level for the type of risk.

## **RISKS AND CONTROLS**

### **Risk: Fund Condition**

The Board has been operating with a structural imbalance which is projected to result in insolvency if not addressed through fee increases. The Board's licensing fees have not been increased in 30 years and increased operating costs over that time have created the structural imbalance.

#### **Control: Fee Increase**

To address this structural imbalance the Board is taking the following actions:

- 1) Increase regulatory fees to the maximum in statute.
- 2) Increase fees in statute to cover actual operating costs.

### **Risk: Staff Recruitment and Retention**

Staff experts are relied upon exclusively without any backup to assist in their absence.

As a small program, the Board has limited resources to allow time for training redundancies. Limited positions create challenges for cross training backup staff.

Long-term absences or vacancies create work-stoppages.

#### **Control: Organizational Process Mapping**

The Board is in the process of working with DCA to assess workflow.

The aim of this assessment is to generate process maps, identify process efficiencies, and to quantify staff workload. The Board analysis will help identify staffing needs and assist in succession planning.

**Control: Increase Staffing/Resources**

Once the program assessment is completed, the Board can seek authority for additional staff as determined by the assessment through the Budget Change Proposal process.

**Risk: Significant Paper Files**

Any event that makes the Board's files unavailable would likely cause the Board to be unable to conduct business.

Staff would be unable to access licensing, renewal, continuing education, and complaint files.

**Control: PaperLite**

The Board is moving toward a PaperLite system for initial licensing and renewal applications. "PaperLite" is how the Board refers to its ongoing reduction of printed paper materials to be more environmentally friendly and cost-efficient. A key component of this strategy is to move several critical licensing and renewal functions online while also retiring the paper versions.

**CONCLUSION**

The Board of Psychology 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.

**Antonette Sorrick, 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