

Agricultural Labor Relations Board

2015 SLAA REPORT

December 18, 2015

David Lanier, Secretary
California Labor and Workforce Development Agency
800 Capitol Mall, Suite 5000
Sacramento, CA 95814

Dear Mr. Lanier,

In accordance with the State Leadership Accountability Act (SLAA), the Agricultural Labor Relations Board submits this report on the review of our systems of internal control and monitoring processes for the biennial period ended December 31, 2015.

Should you have any questions please contact Nickolas Saldivar III, Chief of Administration, at (916) 651-7603, nsaldivar@alrb.ca.gov.

BACKGROUND

The Agricultural Labor Relations Board (ALRB) is responsible for: (1) carrying out the policy of the State of California to encourage and protect the associational rights of agricultural employees; (2) conducting secret ballot elections so that farm workers in California may decide whether to have a union represent them in collective bargaining with their employer; and (3) investigating, prosecuting, and adjudicating unfair labor practice disputes.

The main objective of the Office of the Board is to administer, interpret, and enforce the Agricultural Labor Relations Act (Act). The Office of the Board holds evidentiary hearings and adjudicates disputes in unfair labor practice cases, as well as disputes arising out of representation elections, addressing appeals from administrative law judge decisions in the former and regional offices in the latter. The Office of the Board also administers the mandatory mediation law and is vested with the authority to promulgate regulations to implement the Act. When required, the Office of the Board initiates and oversees litigation before the Court of Appeal and may grant authority to the General Counsel to take action in the Superior Courts. The Board, where appropriate, conducts education and outreach activities.

The General Counsel is the ALRB's chief prosecutor. The responsibility of the General Counsel's Office is to enforce the Act in unfair labor practice proceedings before the Board, supervise and coordinate personnel in the regional offices who are responsible for conducting elections, investigating unfair labor practice charges, prosecuting unfair labor practice cases, settling or dismissing cases where appropriate, and seeking compliance with final Board orders. The General Counsel's Office supervises and oversees litigation before administrative law judges, the Board and, when necessary, the Superior Courts. The General Counsel's Office also conducts education and outreach activities on behalf of the Board.

RISK ASSESSMENT PROCESS

The ALRB executive management appointed a select group of program staff led by the Chief of Administration to meet regularly to identify and discuss significant agency-wide risks. This group is referred to as the ALRB SLAA Committee. The ALRB started the risk assessment process by identifying risks and then ranking each risk based on severity and likelihood of occurrence. Once the risks were identified and ranked, ALRB executive management identified controls which serve to resolve or mitigate the risks. Some controls are in place and others are in the process of being developed and implemented. Management discussed the effectiveness of the controls in place. Subsequent discussions will occur to determine if new controls or improvements are needed to existing controls.

The ALRB SLAA Committee will involve additional program staff to examine the risk and control details and propose additional controls to be tested. The testing of controls involves a combination of staff

feedback via interviews, document and process reviews, and staff surveys. Results will be reviewed by the ALRB SLAA Committee and ALRB executive management. ALRB executive management will implement control updates based on the testing results.

EVALUATION OF RISKS AND CONTROLS

Operations- Internal- Organizational Strategic Plan

The ALRB is comprised of three programs which include the Office of the Board, the Office of the General Counsel, and Administration. The Administrative Unit support the departmental objectives of the Office of the Board and the Office of the General Counsel. The last organizational strategic plan was completed in 2002. Since then, several organizational, legislative, and budget changes have occurred which necessitate an updated strategic plan to align all program efforts to achieve the ALRB mission. Strategic planning assists the ALRB in identifying its goals and key steps needed towards achieving those goals.

The ALRB is developing an updated overall strategic plan with the assistance of subject matter experts, i.e., the Board Members and the General Counsel. By updating the strategic plan, the agency programs can make effective decisions regarding personnel, budget, program changes, and legislation, while ensuring alignment to the overall ALRB mission.

Operations- Internal- Staff—Key Person Dependence, Succession Planning

The latest analysis of State employee age demographics reveals that approximately 40% of our State workforce is eligible to retire within the next 5 years, with over 20% of the workforce eligible to retire this year. Workforce planning and succession planning is necessary to prepare for this large loss of highly experienced employees. Workforce planning is the business process that aligns staffing with the strategic missions and critical needs of the agency. It also anticipates and forecasts the agency's future workforce needs to ensure our agency will continue to have a talented competent workforce. Succession planning assists management in tapping into the institutional knowledge that would be lost due to attrition. A well-prepared agency attracts, develops, and retains employees with the competencies needed in the future. The ALRB must make strategic human resource decisions based on what is needed for an effective workforce, and put in place a successful succession plan. The process will involve identifying and developing current employees with the potential to fill key leadership positions, identifying competency gaps, and developing strategies to addressing current and future needs.

The ALRB is developing an updated overall strategic plan which will be followed by workforce planning and succession planning. This will allow for the ALRB to protect the institutional knowledge of its employees while planning for the workload/workforce changes of the future.

Operations- Internal- Oversight, Monitoring, Internal Control Systems

A 2014 Department of Finance Office of State Audits and Evaluations (OSAE) report recommended that the ALRB, "[re]-evaluate workload tracking information systems by: (1) developing policies and procedures to maximize the usefulness of existing systems, and (2) consider alternative systems to efficiently and effectively track and manage workloads. Workload tracking system design and policies and procedures should be supported by ALRB executive management and: (a) Identify and capture the information management and employees need to perform their daily tasks and manage workloads for Case Management or an equivalent system; (b) Ensure outreach efforts are tracked within the system; (c) Provide access to all staff with appropriate levels of system security; (d) Require full employee participation in the workload time tracking system, including executive management; (e) Ensure accurate recording of employee time and workload data by category, task, or specific case regardless of classification; (f) Ensure regular supervisory review of employee time and workload data for accuracy; (g) Ensure timekeeping and workload tracking systems are integrated or reconcilable; (h) Develop customizable reports for management and employees to use in their daily tasks and to manage workloads; (i) Develop metrics such as total workload, total resources available, and total unassigned workload or resources for effective annual planning; and (j) Establish protocols to periodically review

agreed-upon tracking information to ensure relevancy of data.”

The ALRB is implementing a corrective action plan to address the operational risks identified by the Department of Finance Office of State Audits and Evaluations. The ALRB is also evaluating adding additional information technology tools to assist the e-filing of legal materials through a web-based system.

Operations- Internal- Staff—Training, Knowledge, Competence

Critical to fulfillment of our agency’s mission and goals, the ALRB recognizes the importance of, and need for, increased staff training to ensure adequate levels of knowledge and competence are present throughout the agency. The ALRB has recognized and identified a critical need for continuous workforce training and development to bridge the gap between current staff capacity and performance expectations for the future, and to ensure maximum mission fulfillment. Failure to provide adequate training and development may harm both the employee and the agency through lowered productivity and lowered employee morale (particularly in smaller agencies). We are committed to our mission and becoming a more adaptive, efficient and productive agency.

Workforce training and development is crucial for an agency of our size to succeed in mission fulfillment and to meet the challenges of tomorrow. This will benefit not only the employees skills and productivity but the ALRB’s ability to retain knowledgeable and competent employees. Moreover, training and development will help ensure our ability to maximize our service to our primary stakeholders while simultaneously maximizing our collective efficiency as an agency.

The ALRB SLAA Committee is currently researching the state’s available training programs. The SLAA Committee will recommend multiple trainings to each program based on the program’s employee classifications and needs. New employees will be given training opportunities during the onboarding process as well as offering classification specific training as continued education for existing employees.

Operations- External- Technology—Data Security

Information security is required to protect ALRB tangible and intangible assets from cyber predators. State departments are prone to cyber-attack. Cyber attackers often prey upon smaller organizations because they often do not have or allocate sufficient resources to protect their assets from attack.

The California National Guard provides IT Security Support that has been promoted by the California Department of Technology. The ALRB will utilize the California National Guard’s support to mitigate any current or future cyber security risks.

ONGOING MONITORING

Through our ongoing monitoring processes, the Agricultural Labor Relations Board reviews, evaluates, and improves our systems of internal controls and monitoring processes. The Agricultural Labor Relations Board is in the process of formalizing and documenting our ongoing monitoring and as such, we have determined we partially comply with California Government Code sections 13400-13407.

Roles and Responsibilities

As the head of Agricultural Labor Relations Board, William B. Gould IV, Chairman, is responsible for the overall establishment and maintenance of the internal control system. We have identified as our designated agency monitor(s).

Frequency of Monitoring Activities

Chief of Administration Nickolas Saldivar III, Personnel Officer Jonathan Bernstein, AGPA Samantha

Cooper, SSA Jillian Burgos, and Assistant General Counsel John Cohen have been identified as designated agency monitors (ALRB SLAA Committee).

The ALRB SLAA Committee holds monthly designated agency monitor meetings. Meeting topics include discussion of current and potential internal control issues that need to be addressed. These meetings allow discussion of the issues they have been made aware of and the subsequent steps needed to mitigate the issues. The ALRB SLAA Committee is encouraged to share experiences to further assist each other in addressing the issues that may arise.

Reporting and Documenting Monitoring Activities

The ALRB SLAA Committee requires reports from each unit on a quarterly basis. These reports enable the ALRB SLAA Committee to inform management of the monitoring practices, improvements needed, and the overall monitoring success or weakness in each unit. This information is summarized and reported to executive management.

ALRB ensures that all staff receives information vital to the effectiveness and efficiency of controls by requiring management to update their teams monthly. ALRB encourages staff to speak with their supervisor if they discover an issue that should be addressed to better assist ALRB with fulfilling its mission, goals, and objectives.

Procedure for Addressing Identified Internal Control Deficiencies

Executive management holds quarterly meetings to review any deficiencies that have been recently identified. The ALRB SLAA Committee designs and tests the control procedures that have been developed and implemented. The ALRB SLAA Committee conducts separate evaluations on any deficiency noted in the strategic initiatives or the entity-wide risk assessment. The ALRB SLAA Committee reports to the entire ALRB executive management team.

ALRB has a policy that all deficiencies will be mitigated within ninety days. If a mitigation procedure takes longer than ninety days, ALRB requires executive management monthly notices until the deficiency is adequately addressed.

Finally, ALRB sends an internal memorandum to all staff to inform them of policy or procedure changes to assist in the mitigation of the deficiencies discovered.

CONCLUSION

The Agricultural Labor Relations Board strives to reduce the risks inherent in our work through ongoing monitoring. The Agricultural Labor Relations Board accepts the responsibility to continuously improve by addressing newly recognized risks and revising risk mitigation strategies. I certify our systems of internal control and monitoring processes are adequate to identify and address material inadequacies or material weaknesses facing the organization.

William B. Gould IV, Chairman
Agricultural Labor Relations Board

cc: Department of Finance
Legislature
State Auditor
State Library
State Controller
Secretary of Government Operations

Agricultural Labor Relations Board Corrective Action Plan DRAFT

DRAFT

Date: Not Applicable
7300
Signature: Not Applicable

Corrective Action Plan Submitted for:	
<input type="checkbox"/> December 31, 2015	<input checked="" type="checkbox"/> June 30, 2016
<input type="checkbox"/> December 31, 2016	<input type="checkbox"/> June 30, 2017

RISK	CONTROL	PERSON IN CHARGE, JOB TITLE	DATE OF ACTION, STATUS
<p>Operations- Internal- Organizational Structure</p> <p>The ALRB is comprised of three programs which include the Office of the Board, the Office of the General Counsel, and Administration The Administrative Unit support the departmental objectives of the Office of the Board and the Office of the General Counsel. The last organizational strategic plan was completed in 2002. Since then, several organizational, legislative, and budget changes have occurred which necessitate an updated strategic plan to align all program efforts to achieve the ALRB mission. Strategic planning assists the ALRB in identifying its goals and key steps needed towards achieving those goals.</p>	<p>Control A</p> <p>The ALRB is developing an updated overall strategic plan with the assistance of subject matter experts, i.e., the Board Members and the General Counsel. By updating the strategic plan, the agency programs can make effective decisions regarding personnel, budget, program changes, and legislation, while ensuring alignment to the overall ALRB mission.</p> <p>Control A Update - December 31, 2015 No additional information to report.</p> <p>Control A Update - June 30, 2016</p>	<p>William B. Gould IV, Chairman</p>	<p>December 31, 2015 Not Implemented</p> <p>Not Implemented</p>

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<p>Operations- Internal- Staff—Key Person Dependence, Succession Planning</p> <p>The latest analysis of State employee age demographics reveals that approximately 40% of our State workforce is eligible to retire within the next 5 years, with over 20% of the workforce eligible to retire this year. Workforce planning and succession planning is necessary to prepare for this large loss of highly experienced employees. Workforce planning is the business process that aligns staffing with the strategic missions and critical needs of the agency. It also anticipates and forecasts the agency's future workforce needs to ensure our agency will continue to have a talented competent workforce. Succession planning assists management in tapping into the institutional knowledge that would be lost due to attrition. A well-prepared agency attracts, develops, and retains employees with the competencies needed in the future. The ALRB must make strategic human resource decisions based on what is needed for an effective workforce, and put in place a successful succession plan. The process will involve identifying and developing current employees with the potential to fill key leadership positions, identifying competency gaps, and developing strategies to addressing current and future needs.</p>	<p>Control A The ALRB is developing an updated overall strategic plan which will be followed by workforce planning and succession planning. This will allow for the ALRB to protect the institutional knowledge of its employees while planning for the workload/workforce changes of the future.</p> <p>Control A Update - December 31, 2015 No additional information to report.</p> <p>Control A Update - June 30, 2016</p>	<p>William B. Gould IV, Chairman</p>	<p>December 31, 2015 Not Implemented</p> <p>Not Implemented</p>

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unassigned workload or resources for effective annual planning; and (j) Establish protocols to periodically review agreed-upon tracking information to ensure relevancy of data."	Control A Update - December 31, 2015 No additional information to report.	Nickolas Saldivar III, Chief of Administration	December 31, 2015 Partially Implemented

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	Control A Update - June 30, 2016		Not Implemented

RISK	CONTROL	PERSON IN CHARGE, JOB TITLE	DATE OF ACTION, STATUS
<p>Operations- Internal-Staff—Training, Knowledge, Competence</p> <p>Critical to fulfillment of our agency's mission and goals, the ALRB recognizes the importance of, and need for, increased staff training to ensure adequate levels of knowledge and competence are present throughout the agency. The ALRB has recognized and identified a critical need for continuous workforce training and development to bridge the gap between current staff capacity and performance expectations for the future, and to ensure maximum mission fulfillment. Failure to provide adequate training and development may harm both the employee and the agency through lowered productivity and lowered employee morale (particularly in smaller agencies). We are committed to our mission and becoming a more adaptive, efficient and productive agency.</p> <p>Workforce training and development is crucial for an agency of our size to succeed in mission fulfillment and to meet the challenges of tomorrow. This will benefit not only the employees skills and productivity but the ALRB's ability to retain knowledgeable and competent employees. Moreover, training and development will help ensure our ability to maximize our service to our primary stakeholders while simultaneously maximizing our collective efficiency as an agency.</p>	<p>Control A The ALRB SLAA Committee is currently researching the state's available training programs. The SLAA Committee will recommend multiple trainings to each program based on the program's employee classifications and needs. New employees will be given training opportunities during the onboarding process as well as offering classification specific training as continued education for existing employees.</p> <p>Control A Update - December 31, 2015 No additional information to report.</p> <p>Control A Update - June 30, 2016</p>	<p>Nickolas Saldivar III, Chief of Administration</p>	<p>December 31, 2015 Not Implemented</p> <p>Not Implemented</p>

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<p>Ongoing Monitoring</p> <p>Through our ongoing monitoring processes, the Agricultural Labor Relations Board reviews, evaluates, and improves our systems of internal controls and monitoring processes. The Agricultural Labor Relations Board is in the process of formalizing and documenting our ongoing monitoring and as such, we have determined we partially comply with California Government Code sections 13400-13407.</p>	<p>Ongoing Monitoring Update - December 31, 2015 No additional information to report.</p> <p>Ongoing Monitoring Update - June 30, 2016</p>	<p>Nickolas Saldivar III, Chief of Administration</p>	<p>December 31, 2015 Partially Implemented</p> <p>Not Implemented</p>