

SPECIAL REPORT

\$1.3 MILLION IN UNEMPLOYMENT INSURANCE BENEFITS PAID TO THE CALIFORNIA DEPARTMENT OF CORRECTIONS AND REHABILITATION'S ADVERSELY SEPARATED EMPLOYEES

OFFICE OF THE INSPECTOR GENERAL

DAVID R. SHAW INSPECTOR GENERAL

STATE OF CALIFORNIA MARCH 2009

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Executive Summary

The Office of the Inspector General (OIG) conducted a review into former California Department of Corrections and Rehabilitations (CDCR) employees inappropriately receiving unemployment insurance (UI) benefits when they had been separated under adverse circumstances. In fiscal years 2006-07 and 2007-08, the CDCR spent nearly \$5.7 million on UI benefits, including \$1.3 million or nearly 25 percent on adversely separated employees. The CDCR's lack of internal procedures to effectively process UI claims and poor communication between the CDCR and the Employment Development Department (EDD) contributed significantly to adversely separated employees receiving UI benefits.

Of the 1,045 employees adversely separated during fiscal years 2006-07 and 2007-08, 186 employees received UI benefits. The OIG also found that CDCR UI expenditures increased by 23 percent in fiscal year 2007-08 over the previous year. UI benefits should be available for employees who have lost their jobs due to no fault of their own, not for employees the CDCR separated for misconduct. However, the OIG review found that benefits were granted to former CDCR employees adversely separated and, in the cases reviewed, the EDD often made determinations for benefits without the CDCR's input. The OIG also found that the CDCR did not consistently provide the EDD with information concerning the facts surrounding the misconduct that led to the employees' separations, and the EDD staff may have failed to contact the CDCR to obtain the necessary information before making its final determination. Of the 25 cases investigated, the CDCR responded in writing to the EDD only ten times and only five of the responses were timely. Furthermore, the CDCR had the opportunity to appeal the EDD decisions to grant UI benefits; however, it did so in only one case.

Communication between the CDCR and the EDD has been hampered by the fact that no single individual or entity within the CDCR tracks or monitors the UI claims process. The EDD established separate accounts with each adult institution, juvenile facility, as well as field and headquarters offices which adds to the complexity. There are 51 accounts with different mailing addresses. Moreover, the CDCR has no written procedures or tracking mechanisms to ensure personnel staff process the EDD forms timely. As with all employers, the EDD requires the CDCR to provide sufficient documentation to prove that it separated an employee for willful misconduct. The OIG found that when the CDCR did respond to the EDD, the information failed to include facts about the misconduct. As a result, the EDD often granted benefits to the CDCR employees who were separated for adverse reasons.

Introduction

This report presents the results of a review into the CDCR's processing of UI claim forms for employees adversely separated by the CDCR as a result of disciplinary action. The OIG originally discovered the issue during a meeting with a prison warden and the employee relations officer to discuss disciplinary cases. The employee relations officer informed the warden that the EDD approved UI benefits for an employee the CDCR had recently dismissed for misconduct. The warden was concerned because the full benefit amount had to be reimbursed to the EDD from the prison budget. The OIG surveyed other prisons and found the issue appeared to be occurring throughout the CDCR. The Inspector General requested a review to determine the overall impact of granting UI benefits to adversely separated employees from the CDCR.

The OIG conducted this review under the authority of California Penal Code section 6126, which assigns the OIG responsibility for oversight of the CDCR.

Background

The CDCR adversely separates approximately 500 employees annually

The CDCR is one of the largest state agencies with over 67,000 positions and an annual operating budget exceeding \$10 billion. The department operates 33 adult institutions, six juvenile facilities, and numerous parole offices across the state. As with any state agency, the CDCR must ensure its employees fulfill job requirements and impose discipline on employees when they violate departmental policies or fail to meet job standards. In some cases, the results of the employee discipline process lead to an adverse separation from the department. The types of adverse separations include:

- ⇒ Adverse dismissal
- ⇒ Adverse suspension
- \Rightarrow Resignation with fault¹
- ⇒ Rejection on probation
- ⇒ Absent without leave

The CDCR Office of Internal Affairs and the OIG conduct investigations of alleged employee misconduct. Historically, the more serious CDCR disciplinary cases use evidence obtained from these investigations to support their adverse personnel actions. Depending on the seriousness of the alleged misconduct, the CDCR may assign an attorney from the CDCR's Employment Advocacy and Prosecution Team to provide consultation to the investigator and hiring authority during the investigation and litigate any subsequent disciplinary proceedings. In addition, the OIG's Bureau of Independent Review may assign an attorney to provide independent real-time monitoring of cases if the alleged misconduct meets its monitoring criteria. Hiring authorities can also issue

¹ Employee allowed to resign while under investigation for misconduct.

direct adverse actions without a formal investigation, but in most disciplinary cases that result in an adverse separation from state service, the case is usually supported by a formal investigation.

Employees disciplined by the CDCR have the right to a Skelly hearing² and can appeal the disciplinary action to the State Personnel Board (SPB).

UI benefits administered by the EDD

The EDD administers the federal-state program according to guidelines established by the Unemployment Insurance Code and Title 22 of the California Code of Regulations. The UI fund is financed by unemployment tax contributions paid by employers for each covered worker. The CDCR does not participate in the UI program through payment of employer taxes, but it does participate through direct reimbursements to the EDD for each former employee that receives UI benefits.

According to the EDD's website, to be entitled to UI benefits an individual must be:

- > Out of work due to no fault of their own
- > Physically able to work
- ➤ Actively seeking work
- > Ready to accept work

Overview of UI claims process specific to the CDCR

The UI claims process begins when a former CDCR employee files a claim with the EDD via phone, Internet, or by mailing or faxing the application to the EDD. Once the filing takes place, the EDD will send the CDCR an Employer Notice form requesting eligibility information including the reason for separation, the employee's social security number, the date the employee last worked, and information regarding any other compensation to be paid to the employee any time on or after the effective date of the claim. The CDCR has ten days from the date the EDD mailed the notice to provide its written response to the EDD for consideration.

According to the EDD, within seven to ten days of the claim being filed, an EDD representative will conduct a fact-finding (determination) interview with the claimant to gather eligibility information. The interviewer determines the claimant's eligibility based on the facts as applied to the UI code. The EDD determination interviewer will telephone both the claimant and the employer (CDCR) for specific information regarding the final incident that caused the claimant's termination and pertinent specific information regarding events leading up to the separation.

Office of the Inspector General

² A hearing in which the employee can respond to a manager who was not involved in the investigation or disciplinary action currently being taken against the employee.

Once the determination interviewer makes a decision, the Notice of Determination (Form DE 1080CT) is automatically generated and mailed by the system to the CDCR³. The form is accompanied by a blank appeal form for the CDCR to prepare if it disagrees with the EDD's decision. The CDCR has 20 days from the date the EDD mailed the Notice of Determination to submit its appeal. An employee also has the right to appeal.

An EDD appeals specialist reviews appeals filed by employees and employers and transmits the appeal to the appropriate Office of Appeals. The Office of Appeals schedules the appeal hearing and mails the notice regarding the date and time of the hearing to the employee and to the employer. Administrative Law Judges of the California Unemployment Insurance Appeals Board (CUIAB) conduct the appeal hearings.

Parameters of Review

During the initial phase of the review, the OIG compared the CDCR UI expenditure reports, the EDD quarterly invoices, and the CDCR Personnel Separation Reports for fiscal years 2006-07 and 2007-08. The OIG then selected five facilities and reviewed five sample cases at each location. The OIG specifically selected adversely separated employees that received UI benefits during fiscal years 2006-07 and 2007-08. The facilities selected for the review were:

- 1. CDCR Headquarters
- 2. Central California Women's Facility (CCWF)
- 3. California State Prison, Los Angeles County (LAC)
- 4. Substance Abuse Treatment Facility and State Prison at Corcoran (SATF)
- 5. Salinas Valley State Prison (SVSP)

The review included a review of personnel files and meetings with the CDCR staff responsible for processing the EDD forms and attending appeal hearings. In addition, the OIG obtained and reviewed documents from the EDD and the CUIAB. The EDD also provided written responses to specific questions concerning the UI claims process.

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³ If the CDCR fails to respond to the Employer Notice in a timely manner, the EDD does not send a Notice of Determination to CDCR and CDCR loses the right to appeal the determination decision.

Results of Review

CDCR UI expenditures increased by 23 percent in one year

The OIG obtained UI expenditure data from the CDCR for fiscal years 2006-07 and 2007-08. As previously noted, the CDCR must reimburse the EDD for each former employee the EDD approves to receive benefits. The EDD invoices the CDCR on a quarterly basis and includes a supplemental list of employees who received benefits for the quarter. As shown in the chart below, the CDCR UI reimbursements to the EDD increased by 23 percent in fiscal year 2007-08 over the previous fiscal year.

Description	Amount
FY 2006-07	\$2,549,998
FY 2007-08	\$3,140,028
Total	\$5,690,026
Increase from 2006-07	\$590,030
Annual Percentage Increase	23%

186 adversely separated employees received \$1.3 million in UI benefits

The OIG compared the list of adversely separated employees with the EDD claims paid by the CDCR during fiscal years 2006-07 and 2007-08 and found that of the 1,045 employees CDCR adversely separated, 186 received UI benefits totaling over \$1.3 million (Attachment A). The \$1.3 million represents nearly 25 percent of the total UI benefits paid during the two-year period.

According to the EDD's own website, employees are not entitled to UI benefits unless they are, "Out of work due to no fault of their own." The CDCR adverse separations stem from employees' misconduct or documented failures in the employees' performance of their duties. However, the OIG found that the EDD and the CUIAB definition of work-related misconduct differed from that of the CDCR. While the CDCR may rightfully terminate an employee for work-related misconduct, the EDD or the CUIAB may come to a different conclusion based on its independent review and grant the employee UI benefits.

The OIG reviewed 25 of the 186 cases to determine what information the EDD relied on to grant the employees UI benefits. The review found that in 15 of the 25 cases, the CDCR failed to complete the Employer Notice form, leaving the EDD to make its decision without employer input. However, in three of the cases reviewed, the CDCR notified the EDD of the adverse separation, but the EDD still granted the UI benefits citing a different interpretation of what constituted work-related misconduct. In six of the

cases reviewed, the EDD denied UI benefits, but the CUIAB overturned two of these cases, ruling in favor of the employees.

The CDCR does not provide timely responses to the EDD concerning its adversely separated employees

The CDCR responded to only ten of the 25 employer notices received from the EDD and only five responses met the ten-day EDD requirement. The CDCR personnel staff acknowledged that it is difficult to meet the ten-day deadline because of mail delays and other workload priorities within the personnel office. None of the personnel offices had written policies or procedures describing how to process and track the EDD forms to ensure timely completion. Personnel staff reported the EDD-related forms are assigned to a personnel specialist for completion. However, none of the offices had a tracking log to ensure the personnel specialist returned the completed forms to the EDD within the ten-day requirement.

The CDCR often provides minimal details about the adverse separation to the EDD

The information provided by the CDCR personnel offices to the EDD failed to provide any details concerning the misconduct that led to the adverse separation. Although the personnel specialist may consult with the employee relations officer in order to complete the "Reporting Facts" section of the Employer Notice form, most of the completed forms reviewed only reported "Dismissed," with the effective date of the separation on the form. Personnel staff said they are hesitant to provide any details about the facts of the separation because of confidentiality laws. If an EDD representative has any questions, personnel specialists refer the EDD representative to the employee relations officer for details concerning the facts of the disciplinary case. The OIG interviewed several employee relations officers who reported receiving calls from the EDD on occasion, but not in all cases.

The EDD representatives utilize the Benefits Determination Guide to apply the California Unemployment Insurance Code when making determinations. As with all employers, the CDCR has the burden of proof that it separated the employee for willful misconduct. It is not enough to simply inform the EDD that the employee was dismissed.

The EDD does not always make contact with CDCR before making its determination

Although the OIG does not have authority to conduct reviews of the EDD, and therefore, did not interview the EDD representatives who made the UI determinations, the EDD did provide the OIG with documentation for each of the 25 cases investigated. It appears from the OIG's review of these documents that the EDD representatives may have relied solely on the Employer Notice form information, which in most cases was not available at the time EDD made its determination. This means that the EDD made its final decision

without employer input. As a result, EDD approved claims that may have been denied had the EDD obtained more information from the CDCR regarding the separation. As previously stated in this report, although the EDD submits Employer Notice forms to the CDCR requesting a written response, the EDD confirmed that its representatives should also attempt telephone contact with the employer before making their determinations. According to EDD, within seven to ten days of the claim being filed, an EDD representative should conduct a fact-finding (determination) interview with the claimant to gather eligibility information. The interviewer determines the claimant's eligibility based on the facts as applied to the Unemployment Insurance code. The EDD determination interviewer is supposed to telephone both the claimant and the employer for specific information regarding the final incident that caused the claimant's termination, and for pertinent specific information regarding events leading up to the separation.

State employees usually receive progressive discipline leading up to termination from state service, and departments must adhere to personnel rules before dismissing its employees. This includes the serving of an adverse personnel action, employees' right to Skelly hearings, and the employees' right to appeal their disciplinary actions with the SPB. The EDD informed the OIG that if a former employee notifies the EDD representative that he was dismissed from the CDCR, the EDD representative should schedule a determination interview to address the separation issue. At the time of the scheduled determination interview, the EDD representative calls both the claimant and the CDCR using the contact information available at the time of the determination interview. If the CDCR contact is not available at the time the interviewer calls, the interviewer leaves a message and allows 48 hours (excluding weekends and holidays) for the return call. The OIG's review of EDD documents, including UI claim notes, did not produce evidence that EDD representatives attempted telephone contact with the CDCR.

No single point of contact or standard procedures for UI claims at the CDCR

Of the five locations investigated, the OIG found no single point of contact within the CDCR responsible for overseeing UI claims and no standard procedures in place to track or monitor UI claims. Each adult institution, juvenile facility, and numerous field and headquarters offices have accounts with the EDD. Currently, the EDD has 51 separate accounts for the CDCR with different mailing addresses. This adds to the complexity since there is no one individual or unit to track UI benefits for the CDCR. This may also contribute to the mail issues that the CDCR personnel staff referenced as causing delays because of the various mailing addresses. Moreover, none of the locations the OIG visited could provide any standardized procedures or tracking of the UI claims process. Personnel staff reported they are inundated with paperwork and only receive the EDD forms on occasion. Therefore, it appears that setting up formal procedures or a tracking system for the EDD forms has not been a priority for the personnel offices.

When given the opportunity to appeal the EDD decisions, the CDCR rarely responds

In the five cases where the CDCR could have appealed the EDD's decision, the CDCR appealed only once. Since the CDCR does not have a tracking system for UI claims, the OIG was unable to determine how often the CDCR appeals the EDD decisions.

The following chart summarizes the results of the OIG's fieldwork of sample cases for fiscal years 2006-07 and 2007-08:

Facility	Files Reviewed	Completed Employer Notice Forms	Employer Notice Forms returned within Ten Days	Appeals filed by CDCR	UI Benefits Paid to Employees (25)
Headquarters	5	0	0	0	\$33,077
CCWF	5	3	1	1	\$51,725
LAC	5	0	0	0	\$62,611
SATF	5	2	1	0	\$54,390
SVSP	5	5	3	0	\$49,050
Totals	25	10	5	1	\$250,853

During the review, the OIG found the majority of the sample cases involved adverse personnel actions supported by an Office of Internal Affairs' investigation. Although the OIG inspectors were unable to determine the personnel costs incurred to pursue these cases, the CDCR expended significant staff hours to discipline these employees. The CDCR investigators, employee relations officers, attorneys, Skelly officers, supervisors, and managers dedicated hours to complete these cases. The following three cases are examples of some of the cases the OIG inspectors reviewed that ultimately received UI benefits.

• Case #1: The CDCR dismissed an employee for inexcusable neglect of duty, discourteous treatment of the public, willful disobedience, and other failure of good behavior outside duty hours. The employee, a peace officer, was arrested for a hit-and-run accident while driving under the influence of alcohol. Additionally, she refused to cooperate with the California Highway Patrol after the incident. The adverse personnel action was supported by evidence obtained through an Office of Internal Affairs' investigation. The CDCR responded to the EDD Employer Notice five days beyond the ten-day requirement, and the EDD granted the employee UI benefits that totaled \$11,700 (maximum for 26 weeks). The EDD's Notice of Determination to the CDCR stated:

You discharged the claimant for his or her off-duty actions. After considering the available information, the department finds the reasons for discharge do not meet the definition of misconduct connected with the work.

The CDCR was unable to appeal the EDD's decision because it failed to respond to the EDD's Employer Notice within ten days.

- Case #2: The CDCR dismissed an employee for inexcusable neglect of duty, insubordination, dishonesty, willful disobedience, and other failure of good behavior during or outside duty hours. The employee had an active role in an undercover narcotics transaction, was in possession of a banned assault weapon, and was affiliated with a Northern Hispanic prison gang. The adverse personnel action was supported by evidence obtained through an Office of Internal Affairs' investigation. The CDCR responded to the EDD Employer Notice 52 days beyond the ten-day requirement. However, the EDD had already denied the employee UI benefits. The employee filed an appeal with the CUIAB and the Administrative Law Judge reversed EDD's determination. The employee received UI benefits that totaled \$11,700 (maximum for 26 weeks).
- Case #3: The CDCR rejected an employee on probation for failing to report to work 132 days during her 15 month probationary period. The employee missed the equivalent of six months of work. The rejection on probation was supported by progressive disciplinary measures, and the CDCR provided proper notice to the employee of the disciplinary action. The CDCR failed to respond to the EDD Employer Notice within the ten-day requirement, and the EDD granted the employee UI benefits that totaled \$9,875. In this case, the EDD provided the CDCR with a Notice of Determination that stated:

You discharged the claimant for attendance problems. After considering the available information, the department finds the reasons for discharge do not meet the definition of misconduct connected with the work.

Although the CDCR failed to meet the deadline, the employer relations officer filed an appeal of the EDD's decision explaining that he had not received the initial notice. The CUIAB accepted his appeal, conducted a hearing, and ruled in favor of the CDCR. However, according to the employee relations officer, because the EDD had already paid the employee and charged the CDCR, it was unlikely the CDCR would recoup its \$9,875 from the employee.

Conclusions

The OIG concludes that during fiscal years 2006-07 and 2007-08, the CDCR paid \$1.3 million in UI benefits to 186 adversely separated employees. The following factors may have contributed to the EDD's approval of those claims:

- There is no monitoring to ensure the CDCR personnel staff complete the EDD Employer Notice forms within the ten-day requirement resulting in UI benefits paid to employees who may be ineligible to receive benefits.
- There is no single point of contact to address the UI claims process within the CDCR, and the multiple accounts and mailing addresses complicate the process.
- The CDCR has no written procedures for processing the various EDD forms, which results in inconsistent and untimely responses to the EDD.
- When the CDCR does respond to an EDD Employer Notice, staff often fail to
 provide sufficient information concerning the facts that led to the separation. As a
 result, the EDD does not receive adequate employer information to make a wellinformed determination.
- The EDD and CUIAB utilize the UI code in making their UI benefit determinations. Therefore, even when the CDCR provides appropriate information concerning the facts that led to the separation, the EDD and CUIAB can still grant the adversely separated employee UI benefits.
- The EDD representatives do not always follow-up with the CDCR before making their determinations, thus, making decisions without employer input.
- Because the CDCR often fails to meet the EDD's deadlines, the CDCR waives its right to appeal cases when the EDD grants UI benefits.
- When the CDCR does have the opportunity to appeal, it often fails to take advantage of the opportunity and in some cases is not aware it can appeal.

Department Impact

The CDCR paid \$3.14 million in UI benefits in fiscal year 2007-08 compared to \$2.55 million in fiscal year 2006-07, a 23 percent increase. While UI benefit expenditures represent a relatively small percentage of the CDCR's overall budget, the \$1.3 million paid to adversely separated employees represented nearly 25 percent of total UI benefits paid.

OFFICE OF THE INSPECTOR GENERAL SUMMARY OF UNEMPLOYMENT INSURANCE EXPENDITURES FOR ADVERSELY SEPARATED CDCR EMPLOYEES FOR FISCAL YEARS 2006-07 and 2007-08

		Total UI Expenditures FY	Employees Adversely	EDD Claims Approved for Adversely Separated	Amount of UI Benefits Paid to Adversely Separated
ORG/FACILITY	Abbreviations	06/07 and 07/08	Separated	Employees	Employees
HQ/DAPO/DJJ:	HOTELS	¢200.124	164	24	\$60.660
CDCR Headquarters	HQTRS	\$300,124	164	24	\$69,660
Division of Adult Parole Operations	DAPO	\$225,363	51	11	\$93,632
Division of Juvenile Justice ADULT INSTITUTIONS:	DJJ	\$667,465	40	3	\$62,297
	ACD	¢101 140	10	2	¢10.002
Avenal State Prison	ASP	\$101,140	18	3	\$18,962
Calipatria State Prison	CAL	\$87,969	15	5	\$43,023
California Conservation Center	CCC	\$89,728	8	2	\$20,566
California Correctional Institution	CCI	\$130,175	15	3	\$31,491
Central California Women's Facility	CCWF	\$131,068	14	5	\$51,725
Centinela State Prison	CEN	\$97,454	15	1	\$11,700
California Institution for Men	CIM	\$294,181	24	6	\$48,455
California Institution for Women	CIW	\$103,096	21	3	\$13,921
California Men's Colony	CMC	\$104,513	26	6	\$34,118
California Medical Facility	CMF	\$166,305	19	1	\$3,875
California State Prison, Corcoran	COR	\$184,363	19	2	\$12,645
California Rehabilitation Center	CRC	\$122,526	20	4	\$20,684
Correctional Training Facility	CTF	\$81,258	11	1	\$7,650
Chuckwalla Valley State Prison	CVSP	\$89,828	16	1	\$607
Deuel Vocational Institution	DVI	\$145,821	18	2	\$21,150
Folsom State Prison	FSP	\$58,973	16	5	\$50,591
High Desert State Prison	HDSP	\$103,481	27	3	\$27,000
Ironwood State Prison	ISP	\$172,312	40	9	\$84,984
Kern Valley State Prison	KVSP	\$112,299	40	7	\$40,269
California State Prison, Los Angeles County	LAC	\$169,440	36	10	\$81,323
Mule Creek State Prison	MCSP	\$105,399	14	0	\$0
North Kern State Prison	NKSP	\$37,045	17	2	\$9,900
Pelican Bay State Prison	PBSP	\$279,933	31	4	\$30,920
Pleasant Valley State Prison	PVSP	\$81,321	33	5	\$43,128
Richard J. Donovan Correctional Facility	RJD	\$201,011	33	7	\$54,647
California State Prison, Sacramento	SAC	\$118,454	30	5	\$33,750
Substance Abuse Treatment Facility and State Prison at Corcoran	SATF	\$156,791	45	13	\$86,871
Sierra Conservation Center	SCC	\$84,248	14	1	\$7,582
California State Prison, Solano	SOL	\$67,170	10	2	\$13,436
California State Prison, San Quentin	SQ	\$464,346	32	8	\$38,309
Salinas Valley State Prison	SVSP	\$175,545	50	11	\$62,932
Valley State Prison for Women	VSPW	\$77,530	28	5	\$29,800
Wasco State Prison	WSP	\$102,351	35	6	\$49,076
GRAND TOTAL		\$5,690,026	1,045	186	\$1,310,679

Attachment

Response from the California Department of Corrections and Rehabilitation

OFFICE OF THE SECRETARY

P.O. Box 942883 Sacramento, CA 94283-0001 OF CALIFORNIA AND ALLE OF CALIFORNIA AND ALLE

March 24, 2009

Mr. David R. Shaw Inspector General Office of the Inspector General P.O. Box 348780 Sacramento, CA 95834-8780

Dear Mr. Shaw:

This letter is being submitted in response to the Office of Inspector General's (OIG) report titled *Special Report: \$1.3 Million In Unemployment Insurance Benefits Paid To California Department of Corrections and Rehabilitation's Adversely Separated Employees*, dated March 2009.

As with all audits and special reviews, the California Department of Corrections and Rehabilitation (CDCR) appreciates the OIG's continued commitment to improving our programs and operations. In this special report, you identify several areas of concern and upon review, we agree with your conclusions and recognize the need to address the findings. The Employment Development Department (EDD) executive officers have been contacted by CDCR representatives and have been provided a copy of the draft report. We intend to exhaust all efforts to partner with EDD in a collaborative effort to include discussions on centralizing the Employer Notice process and transitioning the process to an electronic format, which will allow faster processing times. In addition to partnering with EDD, CDCR's Human Resources and Office of Legal Affairs will work in cooperation to develop written policies and procedures to standardize the process and provide guidance and clarification to respond to the Employer Notices and any subsequent appeal processes.

We would like to thank the OIG for allowing us the opportunity to provide comment on the deficiencies identified in your preliminary report, and appreciate your continued professionalism and guidance in CDCR's efforts to improve its operations. All deficiencies identified will be addressed in a corrective action plan submitted to CDCR's Office of Audits and Compliance for follow-up and monitoring. If you should have any questions or concerns, please call my office at (916) 323-6001.

Sincerely,

MARY'S. FERNANDEZ
Undersecretary, Administration