

STATE OF CALIFORNIA
Budget Change Proposal - Cover Sheet
 DF-46 (REV 10/20)

Fiscal Year 2021-22	Business Unit 0511	Department Government Operations Agency	Priority No. 1-Revised
Budget Request Name Chief Equity Officer Workload		Program 0250	Subprogram N/A

Budget Request Description

The Government Operations Agency (GovOps) is requesting 2.0 positions and \$298,000 General Fund in 2021-22 and ongoing to support the state Chief Equity Officer in addressing social, economic, and racial disparities within California government operations. The Chief Equity Officer is responsible for establishing a statewide equity and inclusion framework that state departments must follow. This framework will facilitate California's ability to develop a diverse workforce that can administer fair and equitable services to all Californians.

Budget Request Summary

Click or tap here to enter text.

Requires Legislation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Code Section(s) to be Added/Amended/Repealed Click or tap here to enter text.	
Does this BCP contain information technology (IT) components? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>	Department CIO Click or tap here to enter text.	Date Click or tap to enter a date.

For IT requests, specify the project number, the most recent project approval document (FSR, SPR, S1BA, S2AA, S3SD, S4PRA), and the approval date.

Project No. Click or tap here to enter text. **Project Approval Document:** Click or tap here to enter text.

Approval Date: Click or tap to enter a date.

If proposal affects another department, does other department concur with proposal? Yes No

Attach comments of affected department, signed and dated by the department director or designee.

Prepared By Alana Troutt, Special Consultant, GovOps	Date 4/1/2021	Reviewed By Justyn Howard, Deputy Secretary Fiscal Policy and Administration	Date 4/1/2021
Department Director Click or tap here to enter text.	Date Click or tap to enter a date.	Agency Secretary Yolanda Richardson, Secretary GovOps	Date 4/1/2021

Department of Finance Use Only

Additional Review: Capital Outlay ITCU FSCU OSAE CALSTARS Dept. of Technology

PPBA Evelyn Suess	Date submitted to the Legislature 4/1/2021
-----------------------------	--

A. Budget Request Summary

The Government Operations Agency (GovOps) is requesting 2.0 positions and \$298,000 General Fund in 2021-22 and ongoing to support the state Chief Equity Officer in addressing social, economic, and racial disparities within California government operations. The Chief Equity Officer is responsible for establishing a statewide equity and inclusion framework that state departments must follow. This framework will facilitate California's ability to develop a diverse workforce that can administer fair and equitable services to all Californians.

B. Background/History

GovOps was established July 1, 2013, pursuant to the Governor's Government Reorganization Plan No. 2, and oversees thirteen state departments, boards, and offices. GovOps is responsible for administering state operations including procurement, information technology, and human resources. The mission of GovOps is to improve management and accountability of government programs, increase efficiency, and promote better and more coordinated operational decisions.

Three of the entities overseen by GovOps are control agency departments that have a direct impact on state departments operations via their authority to set rules that all state departments must follow. These departments include California Department of Technology, California Department of Human Resources (CalHR), and the Department of General Services. Decisions made by these three departments impact how state departments handle everything from employment related practices to procurement, business, and information technology related practices. In most cases policies being pursued are cross-cutting in nature and each control agency department has a role in ensuring successful implementation and ongoing compliance.

One of GovOps primary areas of focus over the past year has been reviewing the landscape of policies within state government surrounding hiring, training, and recruitment to identify barriers that would preclude California from being considered an employer of choice. The State of California should be – and can be – an employer of choice and the State has a responsibility to recruit, train and retain a workforce that reflects California's diversity and treats all of our employees with respect, dignity and equity.

As part of our work to become an employer of choice, we recognize that California must:

- Implement policies that promote a diverse and inclusive workforce reflective of the State of California;
- Ensure a respectful workplace and compliance with sexual harassment prevention training laws, discrimination laws, and policies; and
- Address gender and racial pay gaps in the State workforce.

To kick off the process of transforming the State of California into an employer of choice, in September of 2019, the Governor's Office, in concert with GovOps and the control agency departments we oversee, held the first ever Director's Forum. The heads of every department and agency under the Administration came together to hear directly from the Governor and his Cabinet on this topic. At this forum, attendees were:

- Empowered to take action to make departments and agencies more respectful, diverse and equitable;
- Asked to volunteer on four new task forces;

Analysis of Problem

- Provided a copy of the new statewide Respectful Workplace Policy;
- Given information about targeted recruitment, discrimination complaint tracking system, sexual harassment prevention training, and civil service appointments;
- Trained on Unconscious Bias; and
- Educated about the State's pay equity gaps.

Over 350 attendees of the Director's Forum sessions signed up to participate on four different task forces. Those task include:

- Sexual Harassment and Discrimination Prevention—the goal of this task force is to identify strategies to prevent sexual harassment and discrimination, create a respectful workplace, ensure compliance with laws and policies, and capitalize on the new discrimination complaint tracking system.
- Racial and Gender Pay Equity—the goal of this task force is to identify and close gaps in racial and gender pay equity in the State workforce. This includes CEAs, Exempts, and civil service.
- Diversity (including disabilities)—the goal of this task force is to identify strategies to increase diversity, including people with disabilities, so the State workforce is more reflective of the State population of California.
- Public Safety Diversity—the goal is to identify strategies to increase diversity in the public safety classifications so State law enforcement and firefighters are more reflective of the State population of California.

The four task forces are overseen by a governance structure that facilitates their activities and actively reviews the recommendations that they generate. Included in the governance structure is GovOps, CalHR, the State Personnel Board and the Department of Finance.

C. State Level Consideration

As stated in the previous section, GovOps oversees thirteen state departments, boards, and offices, with four of those entities having been added to the GovOps portfolio within the last four years. These entities provide a wide range of services to all state departments, agencies, boards, offices, commissions and the general public. Given GovOps' role in administering state operations including procurement, information technology, tax policy and human resources, GovOps has the authority and ability to effectuate significant changes in the way the State of California operates.

It should go without saying that the State of California should promote diversity and inclusion because it's the right thing to do. It's important that the state employs, trains, and retains a workforce that is reflective of the people we serve. Californians vary in gender, race, ability, age, sexuality and many other ways, and as such it is imperative that California considers these different voices and perspectives when creating policies and procedures that inevitably will impact each group of people. The best way to do this is with a diverse and well trained workforce, as it reduces the potential for unconscious bias, which if left unaddressed can significantly impact in a variety of ways various population groups. This is evidenced by data from the private sector. According to a report by McKinsey & Company, companies with the highest gender diversity were shown to outperform their competitors by 15%, and those in the top quartile for ethnic diversity outperformed their competitors by 35%. So in short, diversity within the state makes good operational and business sense.

Analysis of Problem

D. Justification

The current landscape of effective policies and procedures within California state departments that address racial equity and inclusion vary amongst departments. While each state department is required to comply with requirements related to Equal Employment Opportunity laws, disability services requirements, reasonable accommodations mandates, upward mobility opportunities, and workforce analysis and composition reporting, there is no centralized oversight entity, or statewide expert, who oversees the state's progress toward achieving a racially equitable and inclusive workforce and who is responsible for reviewing business policies, procedures, and laws from a racial equity and inclusion perspective.

This lack of focus on equity and inclusion has resulted in people of color, particularly Black people, who have experienced centuries of inequality and systemic and institutionalized racism, from achieving equal opportunities afforded to other population groups. The decades of underinvestment and unjust systems in place since the Civil Rights Act of 1964 has left Black, Brown, and Indigenous communities with high levels of poverty and pollution, a lack of quality jobs and education opportunities, outdated and weak critical infrastructure, disproportionately high costs for energy, transportation and basic necessities, and limited access to public services. Moreover, Black and brown communities have long been excluded from policy and funding decision-making processes that can be used to address the injustices they experience and support a transition to healthy communities.

To help combat this historical injustice, the 2021-22 Governor's Budget included a proposal to establish the state Chief Equity Officer (CEqO) under GovOps. The CEqO will review old, and establish new, equity and inclusiveness policies and procedures that all state departments must follow as part of their normal operations. Now more than ever we have to embrace racial equity, which means transforming behaviors, institutions, and systems that disproportionately harm marginalized communities by increasing access to government, redistributing and providing additional resources to underserved communities, and eliminating barriers to opportunity, in order to empower low-income communities of color to thrive and reach their full potential.

In addition to the CEqO, this proposal would provide a Research Data Specialist III and an Associate Governmental Program Analyst who will report to the CEqO and will serve as the Project Coordinator and support staff, respectively, and perform a variety of coordination and analytical work for projects overseen by the CEqO. The Research Data Specialist III will be responsible for the coordination and management of various internal and external projects; this includes development of budgets for approved projects, tracking and analyzing project deliverables and completion. The Associate Governmental Program Analyst will provide the necessary operational support activities.

Providing 2.0 additional positions to support the CEqO will help the State practice equity, turning our commitment into actionable equity strategies in our immediate response to the crisis, in our recovery efforts, and as the world reshapes the global economy. The CEqO and proposed staff will immediately begin to identify existing policies and practices in the state, beginning with information collected through the California Leads as an Employer Task Force, that contribute to, uphold, or exacerbate racial disparities and develop proposals to address these disparities. The CEqO and proposed staff will work to implement measures to support capacity building and provide technical assistance for state agencies to invest in strategies for racial equity and inclusion, including employee training and support, development of racial equity programming, and assistance to departments to change departmental policies

Analysis of Problem

and practices to improve racial equity outcomes. Specific tasks to be performed include, but are not limited to:

- Develop a Racial Equity Framework;
- Oversee the development of department-specific Racial Equity Action Plans that outline strategies to address racial disparities resulting from programs and policies the agency administers;
- Identify existing policies and practices in the state that contribute to, uphold, or exacerbate racial disparities and develop proposals to address these disparities, to be recommended to the Governor's Office and Legislature;
- Assist with the implementation of recommendations that come out of the California Leads as an Employer Task Force;
- Analyze and report on policies in the areas of but not limited to housing/land use, employment, environment, economic security, public health and public safety that may have an impact on racial equity or racial disparities;
- Facilitate state policy reforms and systems change;
- Promote community outreach and engagement;
- Collaborate with the appropriate departments to develop policies, provide technical assistance, and train all departments on maintaining a diverse, inclusive, and culturally sensitive workforce;
- Establish, in collaboration with appropriate control agencies as appropriate standards for the collection, analysis, and reporting of disaggregated data regarding race and ethnicity, and department-specific performance measures; and
- Convene work groups consisting of agency representatives and a diverse body of public stakeholders to explore strategies to achieve the purpose of this act.

E. Outcomes and Accountability

Some of the outcomes that are to be expected overtime, include but are not limited to:

- Each state agency will develop their own action plan surrounding equity and inclusion.
- Each state agency would increase their outward facing service equity by focusing on organizational fairness in access and outcomes for clients and communities.
- State employees will develop the capability through training to help the state achieve racial equity and inclusion.
- The state will see an increase in diversity and retention over time.
- Community stakeholders will see the state agency as an effective and inclusive government that engages community and that the benefits of the service delivery are equitable.
- The state will be able to attract larger and more diverse applicant pools for state jobs.
- Over time, the state's workforce skills in this area can be developed in-house, which will lead to a reduction in dependency on and costs of external consultants and contractors who have expertise in this field.
- Improvement in the utilization of the upward mobility program and increase in rate of promotion among underrepresented race/ethnic groups as well as gender particularly in technical disciplines and leadership positions that tend to be disproportionately occupied by majority and males.

Specific metrics will be developed by the State's Chief Equity Officer in consultation with appropriate state departments that oversee human resources, business services, procurement and technology.

Analysis of Problem

F. Analysis of All Feasible Alternatives

Below are the options that were considered:

1. Partner with volunteers, use short term interns, or partner with external entities. The pros of this model are that it incurs little or low cost to the state. The cons of this model are that it creates uncertainty in terms of timing, quality and reliability of work, and does not grow or expand institutional knowledge. Moreover, it doesn't demonstrate a strong commitment to this area by the state.
2. Attempt to have staff assigned or committed as part of a rotation model. The pros of this model are that it would use existing staff and as a result be lower cost. Also, rotational staff would bring their experience back to their department or agency. The cons to this approach includes that it is dependent on departments being willing to offer their employees and as a result is unpredictable both in terms of access to employees, length of rotation term, and limits the pool of talent to departments and employees willing and interested in rotating. It also creates structural volatility in terms of programmatic management and support as individuals will be regularly rotating out of the work. Lastly, this approach also does not demonstrate a strong commitment to this area by the state.
3. Use of contractors. The pros of this model are it is predictable in terms of time commitment and skills expectations. The cons of this model are that it can quickly be costly, limits institutional growth and knowledge, and delegates what should be state managed work to outsiders.
4. Hire dedicated staff, including the state's first ever Chief Equity Officer to perform the necessary and critical work surrounding equity and inclusion. The pros of this model are that it increases institutional knowledge, creates predictability in terms of staffing, costs, timing and responsiveness of services, and it will likely be the most effective in terms of effectuating the change that is needed. The con of this model is that it creates an ongoing staffing cost to the state.

G. Implementation Plan

In anticipation of approval of this request, GovOps, beginning in May of 2021, will begin finalizing the job bulletin postings for the two civil service positions. GovOps plans to publicly post the openings for the two positions in late spring 2021. Beginning June 2021, GovOps will review the applications submitted and schedule and conduct interviews. Upon conclusion of the interview process, a job offer will be made with a goal of having the positions start by July 1, 2021.

H. Supplemental Information

See Appendix A for workload justification.

I. Recommendation

Analysis of Problem

Approve 2.0 positions, and \$298,000 General Fund in 2021-22 and ongoing to support the state Chief Equity Officer in addressing social, economic, and racial disparities within California government operations. Approving this request will set California on the path of creating a diverse and well trained workforce that is reflective of the people we serve and will help address social, economic, and racial disparities within California government operations.

Appendix A

Analysis of Problem

Equity Analyst			
Description of Tasks to be Performed	Total Number of Times Task is to be Completed Annually	Total Hours to Complete Task	Total Number of Annual Hours
Perform varied and complex assignments such as program evaluation and planning policy analysis and formulation; systems development; budgeting, planning, management and personnel analysis	26	40	1,040
Develop Request for Proposals and serve as contract manager for all executed contracts	2	40	80
Coordinate Diversity, Equity, Inclusion events	4	40	160
Develop materials (brochures, table items, posters, recordings, and other event-related material);	6	40	240
Manage the program's intranet site and content through quarterly reviews of the programs content, structure, and presentation make recommendations to ODI on content to develop and/or remove; and conduct analysis to identify areas where more research content could benefit the grant and/or research programs;	12	8	96
Assist the Chief Equity Officer in developing the budget on an annual and as-needed basis	2	40	80
Conduct monthly budget reviews, identify and approve line items for adjustment, and determine line item projections based on actual and anticipated expenditures;	12	2	24
Participate in weekly/monthly/quarterly calls and/or meetings with various organizations and internal committees/departments as a representative of the Chief Equity Officer	52	2	104
Total Hours			1,824
PY Equivalent			1,800
PY's Requested			1.0

Analysis of Problem

AGPA			
Description of Tasks to be Performed	Total Number of Times Task is to be Completed Annually	Total Hours to Complete Task	Total Number of Annual Hours
Analyze state policies that may have an impact on racial equity or racial disparities.	50	4	200
Assist in the development of department specific Racial Equity Action plans.	13	30	390
Collaborate with different state departments to develop policies, provide technical assistance, and train all departments on maintaining a diverse, inclusive and culturally sensitive workplace.	20	20	400
Assist control agencies in establishing standards for the collection, analysis, and reporting of disaggregated data regarding race and ethnicity, and department-specific performance measures	6	100	600
Monitor deadlines for reports and assure timely submission.	12	1	12
Assist in the development of the racial equity framework.	1	50	50
Help create a budget equity assessment tool to determine whether budget requests and annual allocations benefit or burden communities of color.	1	50	50
Other duties as required	12	6	72
Total Hours			1,774
PY Equivalent			1,800
PY's Requested			1.0

BCP Fiscal Detail Sheet

BCP Title: Chief Equity Officer Workload

BR Name: 0511-016-BCP-2021-A1

Budget Request Summary

Personal Services

Personal Services	FY21 Current Year	FY21 Budget Year	FY21 BY+1	FY21 BY+2	FY21 BY+3	FY21 BY+4
Positions - Permanent	0.0	2.0	2.0	2.0	2.0	2.0
Total Positions	0.0	2.0	2.0	2.0	2.0	2.0
Salaries and Wages	0	183	183	183	183	183
Earnings - Permanent						
Total Salaries and Wages	\$0	\$183	\$183	\$183	\$183	\$183
Total Staff Benefits	0	95	95	95	95	95
Total Personal Services	\$0	\$278	\$278	\$278	\$278	\$278

Operating Expenses and Equipment

Operating Expenses and Equipment	FY21 Current Year	FY21 Budget Year	FY21 BY+1	FY21 BY+2	FY21 BY+3	FY21 BY+4
539X - Other	0	20	20	20	20	20
Total Operating Expenses and Equipment	\$0	\$20	\$20	\$20	\$20	\$20

Total Budget Request

Total Budget Request	FY21 Current Year	FY21 Budget Year	FY21 BY+1	FY21 BY+2	FY21 BY+3	FY21 BY+4
Total Budget Request	\$0	\$298	\$298	\$298	\$298	\$298

Fund Summary

Fund Source

Fund Source	FY21 Current Year	FY21 Budget Year	FY21 BY+1	FY21 BY+2	FY21 BY+3	FY21 BY+4
State Operations - 0001 - General Fund	0	298	298	298	298	298
Total State Operations Expenditures	\$0	\$298	\$298	\$298	\$298	\$298
Total All Funds	\$0	\$298	\$298	\$298	\$298	\$298

Analysis of Problem

Program Summary

Program Funding

Program Funding	FY21 Current Year	FY21 Budget Year	FY21 BY+1	FY21 BY+2	FY21 BY+3	FY21 BY+4
0250 - Administration of Government Operations Agency	0	298	298	298	298	298
Total All Programs	\$0	\$298	\$298	\$298	\$298	\$298

Analysis of Problem

Personal Services Details

Positions

Positions	FY21 Current Year	FY21 Budget Year	FY21 BY+1	FY21 BY+2	FY21 BY+3	FY21 BY+4
5393 - Assoc Govtl Program Analyst (Eff. 07-01-2021)	0.0	1.0	1.0	1.0	1.0	1.0
5770 - Research Data Spec III (Eff. 07-01-2021)	0.0	1.0	1.0	1.0	1.0	1.0
Total Positions	0.0	2.0	2.0	2.0	2.0	2.0

Salaries and Wages

Salaries and Wages	FY21 Current Year	FY21 Budget Year	FY21 BY+1	FY21 BY+2	FY21 BY+3	FY21 BY+4
5393 - Assoc Govtl Program Analyst (Eff. 07-01-2021)	0	77	77	77	77	77
5770 - Research Data Spec III (Eff. 07-01-2021)	0	106	106	106	106	106
Total Salaries and Wages	\$0	\$183	\$183	\$183	\$183	\$183

Staff Benefits

Staff Benefits	FY21 Current Year	FY21 Budget Year	FY21 BY+1	FY21 BY+2	FY21 BY+3	FY21 BY+4
5150350 - Health Insurance	0	27	27	27	27	27
5150450 - Medicare Taxation	0	3	3	3	3	3
5150500 - OASDI	0	11	11	11	11	11
5150600 - Retirement - General	0	54	54	54	54	54
Total Staff Benefits	\$0	\$95	\$95	\$95	\$95	\$95

Total Personal Services

Total Personal Services	FY21 Current Year	FY21 Budget Year	FY21 BY+1	FY21 BY+2	FY21 BY+3	FY21 BY+4
Total Personal Services	\$0	\$278	\$278	\$278	\$278	\$278