

December 19, 2023

Melinda Grant, Undersecretary  
California Business, Consumer Services and Housing Agency  
500 Capitol Mall, Suite 1850  
Sacramento, CA 95814

Dear Undersecretary Melinda Grant,

In accordance with the State Leadership Accountability Act (Leadership Accountability), the Osteopathic Medical Board of California submits this report on the review of our internal control and monitoring systems for the biennial period ending December 31, 2023.

Should you have any questions please contact Erika Calderon, Executive Director, at (916) 928-8390, [Erika.Calderon@dca.ca.gov](mailto:Erika.Calderon@dca.ca.gov).

## **GOVERNANCE**

### **Mission and Strategic Plan**

The Board's mission is to protect consumers and promote the highest professional standards in the practice of osteopathic medicine, the Board also license osteopathic physicians and surgeons. The Board is currently in the process of developing its 2023-2028 Strategic plan, which will eventually be available on the Board's website. The plan contains five goal statements and detailed strategies for meeting those goals. The goal areas are as follow:

**Goal 1: Board Administration**

The Board builds an excellent organization through proper Board governance, effective leadership, and responsible management.

**Goal 2: Regulation and Legislation**

Monitor and uphold the law and participate in the regulatory and legislative process.

**Goal 3: Enforcement**

Protect the health and safety of consumers through the enforcement of the laws and regulations governing the practice of osteopathic medicine.

**Goal 4: Licensure**

The OMBC requires that only qualified individuals are licensed as osteopathic doctors.

**Goal 5: Outreach and Communication**

Consumers and licensees are able to make informed decisions regarding the safe practice of osteopathic medical services.

**Control Environment**

The Executive Director (ED), Erika Calderon, is responsible for the oversight and administration operations of the Board and serves at the pleasure of eight Board members. The Board members are appointed by the Governor, Senate Rules Committee, and Speaker of the Assembly. The Board has two Staff Services Managers (SSM) that are responsible for the recruitment and maintenance of a competent workforce and evaluating employee performance to enforce accountability through adhering to the personnel laws, policies, and procedures.

**Information and Communication**

**The OMBC has several means to share information regarding operational, programmatic, and financial decision-making. The SSMs assist and work closely with the ED and meet regularly to discuss areas of concern associated with internal and external risk to the Board, staff performance, staff accountability, and fiscal matters. The ED also provides regular updates to the Board President regarding the budget, staff updates, industry and administrative concerns, and upcoming events relevant to the profession.**

**In addition, the Board is mandated to meet three times a year with accessibility to the public to handle matters related to licensure, disciplinary actions, legislation, regulation, budget, and a variety of other topics related to the status of daily operations.**

## **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 Osteopathic Medical Board of California monitoring practices are implemented and functioning. The responsibilities as the executive monitoring sponsor(s) have been given to: Erika Calderon, Executive Director.

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The OMBC, through ongoing monitoring, evaluates and improves its internal controls and monitoring processes. The Board requires reports from each program on a quarterly basis. The reports provide necessary checks on internal controls by identifying the monitoring practices being conducted, improvements needed, and the overall success or weakness within the program. As vulnerabilities are identified, the ED immediately addresses them by working directly with key staff to develop and implement solutions.

OMBC's SSMs report risks and risk management strategies to the ED. The following activities are performed to ensure internal controls are effective:

- The ED meets regularly with the SSMs and lead staff to discuss daily operations and conduct annual one-on-one meetings with all staff.

- The management team holds routine staff and one-on-one meetings with all staff regarding performance and expectations.
- The management team conducts continuous monitoring of processes and reconciles inefficiencies.

## **RISK ASSESSMENT PROCESS**

The following personnel were involved in the Osteopathic Medical Board of California risk assessment process: executive management, middle management, and staff.

The following methods were used to identify risks: brainstorming meetings.

The following criteria were used to rank risks: potential impact to mission/goals/objectives.

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## **RISKS AND CONTROLS**

### **Risk: Staffing Resources**

The OMBC has 13.9 authorized designated staff throughout three programs: Administrative, Licensing and Enforcement. All program staff are responsible for effectively performing their assigned essential functions efficiently in support of meeting the Board's strategic mission goals and objectives. However, OMBC lacks the adequate staffing resources to meet requirements efficiently in Applications, Licensing, Continuing Competency, and Enforcement.

Inadequate staffing resources prevent the OMBC from adhering to its mandates, which requires the OMBC to process applications and licenses as well as enforcement cases timely, meeting its performance measures.

This limits various business processes within the applications, licensing and continuing competency, and enforcement units and creates a barrier to timely, effective, and efficient actions pertaining to licensure.

**Control: Increase and/or Redirect Staffing Resources**

The ED and SSMs will continue to meet on a regular basis or as needed to discuss opportunities to streamline processes and procedures and discuss areas of concerns. The OMBC plans to utilize its existing resources (blanket funds) to hire temporary staff until a permanent solution is obtained.

**Risk: Resource Management-Budgeting**

Due to the increase in the number of Board cases referred to the Attorney General's (AG) Office, complexity of the cases, and an increase in investigative and AG fees, the Board has continuously overspent its AG budget allocation.

**Control: Budget Monitoring**

The Board continues to monitor the budget and works closely with its DCA budget analyst to ensure that adequate funds are available for continued prosecution of cases. As required, the Board will continue to seek budget augmentations to ensure adequate funds are available for continued prosecution of cases.

**Risk: Procurement Delays**

The OMBC requires various equipment and office supplies to conduct daily business processes and actions. As a result of the COVID-19 pandemic, the OMBC has experienced significant delays with procuring required equipment and office supplies. Specifically, an adequate phone system and applicable telework equipment and/or software.

Inadequate equipment and limited office supplies creates delays with various business processes within the Board and prevents the Board from meeting its mission, goals, and objectives efficiently.

**Control: Elevating Issues to Department of Consumer Affairs (DCA)**

The OMBC will communicate with DCA on a regular basis to resolve procurement issues.

Utilizing laptops allows staff to respond to callers while away from the desk or the office in a timely manner. In addition, sharing equipment and office supplies enables staff to proceed with their daily business processes and actions, while alleviating increased delays and backlogs.

**CONCLUSION**

The Osteopathic Medical Board of California strives to reduce the risks inherent in our work and

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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.

**Erika Calderon, Executive Director**

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