December 24, 2025

Tomiquia Moss, Secretary
California Business, Consumer Services and Housing Agency
500 Capitol Mall, Suite 1850
Sacramento, CA 95814

Dear Secretary Tomiquia Moss,

In accordance with the State Leadership Accountability Act (Leadership Accountability), the California State Board of Pharmacy submits this report on the review of our internal control and monitoring systems for the biennial period ending December 31, 2025.

Should you have any questions please contact Julia Ansel, Chief of Enforcement, at (916) 518-3108, Julia.Ansel@dca.ca.gov.

GOVERNANCE

Mission and Strategic Plan

Mission Statement

The California State Board of Pharmacy (Board) protects, promotes, and advocates for the health and safety of Californians by pursuing the highest quality of pharmacists' care and the appropriate use of pharmaceuticals through education, communication, licensing, legislation, regulation, and enforcement.

Strategic Goals and Objectives

GOAL 1: LICENSING

The Board promotes licensing standards to protect consumers and allow reasonable access to the profession.

LICENSING OBJECTIVES

- Evaluate, and change in appropriate, legal requirements for authorized duties that can occur outside of a pharmacy to reflect the dynamic nature of the practice of pharmacy.

- Consider and pursue necessary changes in the law regarding various pharmacy practice settings to ensure variances in the practice are appropriate.

- Explore, and pursue changes in law as appropriate, for authorized duties of a pharmacy technician and potential expansion based on other jurisdictions to expand authorized

duties.

- Determine if application requires for a pharmacist-in-charge (PIC) are appropriate to ensure sufficient knowledge, skills, and abilities for individuals seeking to serve as a PIC.
- Engage with the California Division of Occupational Safety and Health (Cal/OSHA) on pharmacy working conditions to ensure sufficient resources and appropriate conditions exists to facilitate safe patient care.
- Consider results, and change laws as appropriate, regarding the Office of Professional Examination Services audit of the California Multi-State Jurisprudence Pharmacy Examination and pharmacy law requirements to ensure exams are relevant. (Completed)
- Decrease licensing processing items to improve customer service and support applicants and licensees.
- Streamline the licensing process to improve efficiency and staff performance.
- Migrate the entire licensing process online to promote timeliness, reduce staff workload, and provide better customer service.

GOAL 2: ENFORCEMENT

The Board protects consumers by effectively enforcing laws, codes, and standards when violations occur.

ENFORCEMENT OBJECTIVES

2.1 Evaluate, and take necessary actions, regarding the causes and effects of medication errors to reduce errors.

2.2 Analyze enforcement outcomes to identify trends to educate licensees of common violations and improve patient outcomes.

2.3 Complete routine inspections of all licensed pharmacies at least every four years to proactively assess pharmacy operations and educate licensees.

2.4 Determine and reduce barriers to timely case resolution to improve consumer protection.

2.5 Assess, and pursue where appropriate, further use of a Standard of Care Enforcement Model to protect consumers. (Completed)

2.6 Establish greater consistency in how inspectors interpret the law and carry out inspections to improve compliance, support licensees, and further patient care.

2.7 Write a Budget Change Proposal to increase the number of enforcement staff to ensure more regular inspections and investigations, and to improve case processing times.

2.8 Educate licensees about enforcement responsibilities to improve compliance and build relationships.

2.9 Assess pharmacist involved in medication handling at locations not regulated by the Board of Pharmacy to increase patient safety and standardize care.

2.10 Evaluate if regulations align with federal regulations and standard governing the practice of compounding and pursue changes, if appropriate, to ensure patient safety and assist licensees with education about standards.

2.11 Enhance patient consultation compliance by evaluating barriers to consultation to provide patient education and reduce medication errors. [NOTE: The Board approved the addition of this new strategic objective in November 2024.]

GOAL 3: LEGISLATION AND REGULATION The Board pursues statutes, regulations, and procedures that strengthen and support the Board's mandate and mission.

LEGISLATION AND REGULATION OBJECTIVES

3.1 Consider, and advocate for necessary changes, regarding recognition for provider status for pharmacists to improve patient access.

3.2 Review, and update if necessary, existing regulations and statutes, to keep pharmacy law and its regulations current and inclusive for all.

3.3 Evaluate, and if appropriate, advocate, regarding barriers to patient care driven by outside entities, e.g., pharmacy benefit manager practices and drug manufacturers, to remove barriers to prescription and (specialty) medications.

3.4 Identify opportunities to leverage pharmacist knowledge, skills, abilities, and accessibility to create appropriate access points to care to improve health outcomes for the public.

3.5 Support legislation that increases scope of practice for pharmacists and pharmacy technicians to increase access and improve health outcomes for the public.

3.6 Promote legislation that ensures pharmacists are adequately provided with qualified resources to promote working conditions that minimize errors and improve health outcomes for the public.

GOAL 4: COMMUNICATION AND PUBLIC EDUCATION The Board educates consumers, licensees, and stakeholders about the practice and regulation of the profession.

COMMUNICATION AND PUBLIC EDUCATION OBJECTIVES

4.1 Develop a consumer education campaign to educate consumers about the Board and the importance of pharmacy services, including patient consultation.

4.2 Reevaluate, and update, if necessary, educational materials related to pharmacy law to assist licensees in operating in compliance.

4.3 Promote the self-assessment process to educate licensees about the importance of the tool.

4.4 Create an educational program for the colleges of pharmacy and a required training prior to obtaining an intern license to ensure an understanding of the Board and its consumer protection mandate.

4.5 Increase outreach and education to licensees to expand knowledge of the Board and to promote compliance.

4.6 Create more webinars to post on the website to disseminate basic information.

4.7 Improve communication to licensees by personalizing it and decreasing verbiage to encourage licensee engagement. 4.8 Research creating a recognition program for pharmacists to help build relationships between public, licensees, and the Board.

GOAL 5: ORGANIZATIONAL DEVELOPMENT The Board provides excellent customer service, effective leadership, and responsible management.

ORGANIZATIONAL DEVELOPMENT OBJECTIVES

5.1 Secure the necessary resources to fulfill the Board's strategic goals to meet the Board's Vision.

5.2 Develop a formal onboarding program for new Board members to ensure new members are prepared.

5.3 Promote staff training and development to ensure staff retention and a positive work environment.

5.4 Continue Business Modernization activities to determine technology needs.

5.5 Develop staff through training and setting clear expectations to increase staff retention and support staff.

5.6 Improve public and licensee access to staff to provide better customer service and support licensees.

Control Environment

Control Environment

The Board has established workplace guidelines and staff expectations that are reviewed and acknowledged by each employee. Additionally, the Board has work guidelines and

expectations specifically for supervisors and managers. These guidelines and expectations are intended to communicate to Board staff as well as supervisors and managers as to how they shall conduct themselves in the workplace. Any changes to the guidelines or expectations must be preapproved by management. Board management and staff should have the same understanding concerning these expectations. If staff have any questions concerning these guidelines, they can consult with their immediate supervisor. Both workplace guidelines and staff expectations and workplace guidelines and expectations for supervisors and managers were updated in August 2025.

The Board follows the Department of Consumer Affairs (Department or DCA) Policies and Departmental Procedures Memorandums (DPMs). DCA policies fulfill legislative requirements for documentation and assist management in communicating the application of state business processes and behaviors to employees. DCA policies are primarily for the purpose of internal management. DCA policies do not constitute rules or regulations. DCA policies are distinct from Departmental Procedures Memorandums (DPMs). A policy is a department-wide directive that: addresses a specific topic; interprets executive orders, state administrative policies, or executive priorities; is consistent with existing law, DCA's Strategic Plan, and other more specific policies. A DPM is signed by DCA program or division chiefs responsible for the specific DPM content. DPMs must be reviewed by DCA's Policy Review Committee (PRC) if they are developed to implement a new or revised policy. A DPM is issued as a Department-wide directive when it is necessary to implement a law, an agency-wide directive, or a policy with detailed procedures or guidelines; and a topic is subject to frequent change. Examples of DCA policies or DPMs include but are not limited to Information Security, Conflict of Interest, Sexual Harassment Prevention, and Non-Discrimination Policy and Complaint Procedures, etc.

Oversight is provided by a Board

The Board consists of 13 members who are appointed to four-year terms. Members can serve only two terms. The Governor appoints seven registered pharmacists who reside in different parts of the state and four public members. The Senate Rules Committee and the Speaker of the Assembly each appoint one public member.

Members of the Board appoint the Executive Officer (EO) who directs the Board's operations and oversees staff, including field inspectors who are registered pharmacists. The Board maintains an up-to-date organizational chart that clearly identifies the chain of command for each component of the Board. Each managerial position has a specific duty statement that outlines the level of responsibility, authority, and duties.

As determined by law, the Board submits a Sunset Review Report to the Legislature. This report outlines various recommendations from the appointed Board members and EO. The Board's most recent Sunset Review Report was submitted in 2025. Subsequently, AB 1503 (Berman,

Chapter 196, Statutes of 2025) was recently signed by the Governor extending the Board's sunset date to January 1, 2030.

The Board is a semi-autonomous entity with budget and personnel oversight provided by DCA, Business, Consumer Services and Housing Agency, and the Department of Finance.

The Board ensures appropriate levels of responsibility and authority, and

documents internal control systems

The DCA Internal Audit Office is available to all programs within DCA. DCA's Internal Audit Office assists in the following ways:

1. Reviews policies and procedures as well as any laws and regulations applicable to the operations.
2. Interviews management and staff.
3. Conducts attribute sampling of transactions performed by the Board.
4. Provides meaningful feedback to management on strengths and deficiencies within the Board.

Establishing and maintaining a competent workforce

The efficiency of the Board requires establishing and maintaining a competent workforce. This is done through recruitment and training of staff to maintain the skill level and knowledge to sustain high performances. The Board must:

- Utilize internal and external training resources including training plans for newly hired staff.
- Address significant changes with staff.
- Provide training when there are changes in workforce skills needed to accomplish the job.
- Provide training in line with job requirements.
- Announce in a weekly email item such as staff achievements, including new staff, staff promotions, and milestones reached in state service.
- Provide staff with opportunities for cross-training and upward mobility.

Board personnel needs to possess and maintain a level of competency that allows them to accomplish their assigned responsibilities, as well as understand the importance of effective internal controls. Holding individuals accountable to established policies by evaluating personnel's competence is integral to attracting, developing, and retaining individuals.

Management evaluates the competence of personnel across the entity in relation to established policies. Management acts as necessary to address any deviations from the established policies.

The Board maintains morale through team meetings and team-building activities. In July 2025, the Board instituted and launched the Team Building Committee (TBC) with the intent of empowering representatives from each unit to work together to develop new opportunities to continue to build and foster team building throughout the Board. Management coaches and fosters upward mobility through mentoring. The Board uses detailed onboarding plans and provides feedback both informally and formally through probation and annual performance appraisals. Management leads by example.

Management evaluates performance and enforces accountability

The Board utilizes a performance appraisal process that assesses an employee's job performance and productivity in relation to established criteria and organizational objectives.

The manager/supervisor may consider other factors, including, but not limited to behavior, accomplishments, potential for future improvement, strengths and weaknesses, etc. The performance appraisal should reflect the employee's performance for the previous 12 months, inform them of the managers'/supervisors' expectations, and advise them if the expectations are met.

The Individual Development Plan (IDP) is used for permanent employees who have passed their probationary period to establish personal objectives and develop a plan for achieving professional growth, career mobility, and/or future career changes. IDPs are encouraged but not required. Annual performance appraisals are required to review staff's performance and provide input to staff.

Managers/supervisors are required to notify eligible employees of the opportunity to submit an IDP at least on an annual basis.

The IDP identifies specific methods by which the employee can accomplish the performance objectives through the identification of training opportunities and goals.

Information and Communication

Information and Communication

Information requirements are established and met with reliable and relevant sources.

Management at the Board and DCA disseminates information about the operational processes to personnel to help them achieve the Board's objectives.

Additionally, management receives information about the operational processes that flows up the reporting lines from personnel to help management achieve and determine if the Board's objectives are being met. As information reaches each level, both going up and down the chain of command it is evaluated for its reliability and relevance to the appropriate units within the Board.

Finally, the appointed 13-member oversight Board receives information on the operations of the Board from the EO on an as needed basis. Information is also reported as part of quarterly meetings. Strategic plan updates are provided by Committees to the Board annually. Information relating to internal controls communicated to the Board members include significant matters about adherence to, changes in, or issues arising from the internal control system.

Quality information is communicated to internal parties within the Board.

Internal communication is established through senior manager meetings, all staff meetings, team meetings, and one-on-one meetings to provide feedback and allow for staff input.

Management obtains statistical data obtained from internal systems and disseminates it to senior and mid-level managers on a monthly and quarterly basis to identify trends, both positive and negative.

If a staff member has information that they believe is related to inefficiencies or

inappropriateness within the Board, they are encouraged to share with managers or during team meetings. Further, policies of the DCA detail the appropriate means to report violations or other issues to the appropriate DCA office as applicable.

Quality information is communicated to external parties.

The Board, through its Public Information Officer, currently uses its website, an email alert system, and social media (X formerly known as Twitter) to communicate reliable and relevant information to the licensee population, consumers and stakeholders.

As part of its licensee education efforts, the Board maintains an "Ask an Inspector" program, where a Board Inspector and/or Board staff are available to respond to verbal and written inquiries from the public and licensees relating to inquiries of pharmacy law or regulations. Board inspectors and staff cannot provide legal advice, but they assist by identifying statutory and regulatory sections that pertain to questions.

The Board hosts public meetings, through various committees and the Board meetings. Licensees and the public are able to comment on agenda items and request items/topics be discussed at future meetings. The Board publishes a newsletter and develops informational material for consumers and licensees. Such information is made available on the Board's website.

Board staff provides training seminars, conducts presentations, and briefings to the licensee population throughout the year. The Board offers mandatory continuing education training such as law, ethics and pharmacist-in-charge requirement. Additionally, the Board provides elective Board-provided continuing education training including Naloxone Training Webinar; Training for Furnishing HIV Preexposure and Postexposure Prophylaxis (PrEP/PEP); and Inspection Expectations, Diversion Trends, Loss Prevention, Legal Updates and CURES live webinar (formerly titled Prescription Drug Abuse and Diversion Prevention Training: What a Pharmacist Needs to Know).

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 California State Board of Pharmacy monitoring practices are implemented and functioning. The responsibilities as the executive monitoring sponsor(s) have been given to: Anne Sodergren and Julia Ansel.

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The EO is ultimately responsible for management of the plan with responsibilities as the executive monitoring sponsors delegated in part to: Julia Ansel, Deputy Executive Officer.

Monitoring activities are performed, documented, and measured against a baseline

Management has established monitoring activities to monitor the internal control system and evaluating the results. An example of this is the volume of work. For the Board, prime areas of focus include, the number of licensing applications, processing times, issuance of licenses and completion times of investigations.

Through the establishment of timelines for completion of workload in most units, management evaluates the efficiency of the unit and the need to increase the workforce and review the workflow process to determine if the system that has been established is the most efficient and accurate.

Some baseline goals are adopted from DCA's performance measures. As an example, pursuant to Business and Professions Code section 129, DCA has a 10-day target timeframe from the date the complaint is received until the matter is assigned for investigation or otherwise closed. DCA's target time for case investigations not transmitted to the Attorney General is 210 days, which includes both intake and investigation.

The Board has a 2022-2026 Strategic Plan in place that includes action plans to achieve strategic objectives.

Management evaluates results and ensures appropriate corrective actions are implemented and documented

Investigative data is available for review. Internally, management reviews various data and internal operations on a monthly basis to evaluate for successes or changes needed. Management provides the Board with quarterly and annual statistical data for review and recommendations at committee and full Board meetings. On an annual basis, the Board is provided three-year trend analysis as well. Analysis is conducted to identify upward or downward trends. Senior management meets routinely to evaluate the data to adjust assigned workload, if necessary, in an attempt to meet the established baseline goals. Lessons learned are integrated into processes as appropriate and norming sessions are held regularly to ensure standardization across the organization.

Performance measures are available through the Department's public website for certain areas of operations and licensing and investigation processing times are reported quarterly and posted on the Board's website. This documentation allows for full transparency.

RISK ASSESSMENT PROCESS

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

The following methods were used to identify risks: brainstorming meetings, ongoing monitoring activities, audit/review results, other/prior risk assessments, 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.

Management identifies, analyzes and responds to risks

Executive and management staff meet and review Board operations on a weekly and monthly basis through team meetings and one-on-one meetings. These meetings are part of ongoing monitoring of activities across the Board. If managers or staff (through reporting to their respective manager) become aware of risks, challenges or issues that need to be addressed to ensure optimal functioning across the organization, these issues are addressed in these meetings and discussed as a group by the management staff.

There are times when risks or issues are identified at the staff level and then brought to management. In other instances, risks are identified by management. Risks are discussed openly with staff in unit meetings.

During Board and committee meetings, external stakeholders and Board members have the opportunity to discuss potential risks to the organization in an open, transparent public forum. In these settings, if a change needs to be made within the operations of the Board, staff takes direction from the 13-member Board on how to proceed. Such actions could include implementation of new activities, processes, or procedures to mitigate the risk that has been brought to the Board's attention.

Significant changes are considered when identifying, analyzing and responding to risks

If the Board believes a risk jeopardizes its vision, mission, strategic plan, goals or objectives, it will be addressed. If the risk is in the Board's control to manage, the Board will consider changes to operations, procedures and processes to mitigate that risk. The Board's mandate is protection of the public and if a risk is evident that may have a potential impact to that mandate, the Board will act on it, as the tolerance level for risk is low when it comes to protecting the citizens of California.

RISK ASSESSMENT PROCESS

The following personnel were involved in the California State Board of Pharmacy 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, external stakeholders, 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, potential impact of remediation efforts, and tolerance level for the type of risk.

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If the Board believes a risk jeopardizes its vision, mission, strategic plan, goals or objectives, it will be addressed. If the risk is in the Board's control to manage, the Board will consider changes to operations, procedures and processes to mitigate that risk. The Board's mandate is protection of the public and if a risk is evident that may have a potential impact to that mandate, the Board will act on it, as the tolerance level for risk is low when it comes to protecting the citizens of California.

RISKS AND CONTROLS

Risk: Risk 1 - Dependence on Legacy Systems

The Board has been managing licensing and enforcement operations with legacy systems and workaround solutions for many years while awaiting the implementation of a new system. This challenge impacts the Board in a multitude of areas; system limitations cause the Board to have workaround databases and modifications to legacy systems have a lengthy approval process. This situation can impact the Board's ability to improve stakeholder engagement, process applications, and establish timely requirements. Time is spent realigning and training staff on the use of workarounds, that themselves may fail. A new system will have an impact on the Board's budget and may pose a financial burden to implement. There is risk that a new system may not be able to meet all the Board's licensing and enforcement needs. There could be loss of information during conversion and full implementation may be a lengthy process.

Further, limitations on legacy systems' ability to create on-line file management for applications, licensees, and investigation workloads result in the Board's reliance on paper. The Board struggles to meet rising expectations with aging infrastructure and

more complex IT needs. With the pandemic came new hurdles including telework and significant need for increased online services. Some of these needs were difficult to realize in an efficient manner because of the legacy systems and patchwork of workaround systems.

Current operating systems are complex to manage and difficult to scale. The aging infrastructure makes it more challenging to adapt to changing conditions as highlighted with the COVID-19 pandemic.

Control: Control 1

Control #1-1: Business Modernization

The Board's efforts for Business Modernization (BizMod)continue to be underway and will serve as the pathway to determine the appropriate long-term IT solutions. The Board continue to work with DCA and vendors to implement and meet timelines to ensure system requirements are reviewed. In the interim, Board staff continues to receive training on legacy systems and the Board works with DCA's Office of Information Services (OIS) to meet current licensing and enforcement needs of the organization. In working with DCA OIS all BizMod Maps and Could-be Mapping are complete for all units' functional requirements.

Control: Control 2

Control #1-1-1: BizMod

The Board received multiple demonstrations from potential vendors for a replacement for legacy systems to meet the Board's requirements and project timeline. The Board determined it will update systems for licensing and cashiering while maintaining Enforcement in CAS. The Board recruited an ITS II position for BizMod to assist with the transition from legacy systems to updated systems for licensing and cashiering.

Control: Control 3

Control #1-1-2: Utilizing PharmED to Increase CE Outreach

The Board launched a continuing education (CE) platform for licensees in December 2024. Board provided CE webinars are now being delivered and tracked from this system. This component of the BizMod initiative has been fully implemented. Board staff will continue to develop and deliver new CE content and webinars for licensees through the platform as directed by the Board. After launching the platform in December 2024, Board provided CE webinars continue to be offered through PharmED. Trainings provided by the Board using this platform include Law and Ethics, Pharmacist-in-Charge Requirements, Naloxone Training, and Training for Furnishing HIV Preexposure and Postexposure Prophylaxis (PrEP/PEP). In April 2025, the Board began offering CE for watching Board and Committee meetings via WebEx.

Control: Control 4

Control #1-1-3: Inspection Program

Tyler Technologies was selected as the vendor for the Board's new inspection program to replace legacy systems. The new inspection program was presented and discussed at the Portfolio Governance Council Meeting (PGC) on April 28, 2025. The Board will begin implementing the Tyler Technologies inspection program in partnership with DCA OIS. This new inspection program will provide inspectors a stable solution that is easy to manage and provides robust data tools that do not currently exist. The Board anticipates rolling out the new program in Winter 2025.

Control: Control 5

Control #1-2: Knowledge Transfer

The Board will continue to develop staff's understanding of workaround systems to minimize risk of failure to such systems.

Board staff continue to train new staff and create efficiencies where possible inside the constraints of legacy systems. The Board continues to develop staff's understanding of workaround systems to help minimize the risk of system failures. The Board implemented the use of SharePoint to encourage sharing of knowledge and information throughout the Board.

Control: Control 6

Control #1-3: Interim Solutions

Although the long-term solution should include replacement of legacy systems and inclusion of functionality offered by workaround systems, opportunities for interim solutions will continue to provide the Board with additional short-term solutions to improve stakeholder interaction with the Board and could serve to reduce, at least in part, some of the Board's current reliance on the submission of paper.

Management continues to develop staff's understanding of work around systems to minimize risk of failure of said systems. Ongoing training occurs between new staff and seasoned staff members. The Board continues to work with the Department to identify and implement a solution to the ongoing issues related to interim solutions.

Risk: Risk #2: Workforce Development

The Board is a dynamic, challenging, and fast-paced organization. Over the last several years, the Board has grown quickly in a short amount of time. Workload has increased over the past several years and staffing levels must be at 100 percent to handle the increased demand.

Staff development can be hindered by heavy volume, tight deadlines and complexity of work performed. Such a work environment can lead to burnout and staff turnover. The Board's inability to recruit and retain appropriate staffing levels at times can create inefficiencies and backlog and compromise the organization's ability to fulfill its mandate. Recruitment and retention functions are vital to the success of the organization. The state hiring process can be lengthy. Recruitments can be challenging with little or no interest in Board positions at certain classification levels.

Control: Control 1

Control #2-1: Set Expectations

Board management continues to work to ensure staff are aware of performance expectations and foster an environment that encourages staff to work together to achieve standards. Performance expectations are discussed during the interview/hiring process, during onboarding, and ongoing through the employee's tenure at the Board. Teamwork and collaboration are consistently encouraged throughout the organization to achieve standards. In August 2025, the Board updated the workplace guidelines and expectations for staff and managers/supervisors.

Control: Control 2

Control #2-1-2: Licensing Unit

The Licensing Unit has focused on decreasing application processing times and has made significant progress toward that goal. Application processing times

remain a challenge for the Board. The Board strives to maintain the 30-day target for processing applications. When processing times for applications exceed the 30-day target, the Board continues to look for ways to reduce the timeframes. These metrics are regularly reported to the Board's Licensing Committee and the full 13-member Board.

Control: Control 3

Control #2-1-3: Ongoing Gap Analysis

In July 2025, senior management embarked on a systematic gap analysis to identify gaps in processes that cross multiple units. As gaps are identified, senior managers and staff work to remedy the gaps in processes and further strengthen working relationships. In addition to identifying and resolving systematic and program issues, a sense of teamwork has also increased as senior management and staff focus on the organization as a whole versus individual units. This process has fondly been referred to as "silo smashing" to demonstrate the smashing of unit silos to focus more wholistically on the organization.

Control: Control 4

Control #2-2: Continued Focus on Recruitment

Executive management keeps abreast of changes in policies/recruitment processes through regular meetings with DCA's Office of Human Resources (OHR) liaisons and continues to receive ongoing OHR training. Management communicates and ensures clear, consistent priorities and procedures and ensures staff expectations are consistent with the strategic objectives identified by the Board and consistent with established performance measures.

Management will focus on succession planning, cross-training, and fostering upward mobility through coaching and mentoring. Management ensures that staff understand their respective important roles in helping the Board achieve its consumer protection mandate and understand the culture of teamwork.

Monthly meetings continue with the Board and DCA's OHR. Recruitments for open positions are ongoing, and the Board continues working diligently with DCA's OHR to expedite recruitments, fill positions, and train staff as quickly as possible. Recruiting and filling positions as quickly as possible remains the goal of management.

Recruitment and retention functions continue to be vital to the success of the organization. However, it is challenging to hold staffing at 100%, especially in the Licensing Unit due to legacy systems, workload, and few options for telework in this specific unit. The Licensing Unit implemented alternate work schedules for staff when appropriate. The Licensing Unit is looking forward to progress with the BizMod process with the goal of obtaining a new Application Tracking System as previously mentioned.

Control: Control 5

Control #2-3: Succession Plan

The Board is developing a long-term staffing plan to address operational challenges experienced by insufficient staff vacancies and limited IT resources. The plan will create growth opportunities for staff, increase staff retention, and ensure staff have appropriate tools to be successful. The Board continues to focus on succession planning.

The Board recruited and filled a Chief of Legislation position in April 2025. The Board remains focused on succession planning. The newly appointed Chief of Legislation is receiving mentorship and training from the Executive Officer. Additionally, the Board, executive leadership, and managers are actively engaged in sharing institutional knowledge to ensure the Board and staff have appropriate tools for long-term success.

With retirements of long tenured staff on the horizon in the next five years, the Board continues to focus on knowledge transfer including more robust and exhaustive training plans, cross training within and across units, etc. In Fiscal Year 2025/26, the Board was successful in securing three positions through the budget

change process: an Enforcement Associate Analyst to focus on continuing education audits; an Enforcement Office Technician to assist the complaint unit; and an Administration Associate Analyst to assist with processing of Board regulations.

Control: Control 6

Control #2-4: Ongoing Staff Development

Staff performance appraisals are completed annually by management. Management continues to offer the IDP process to staff to assist in identifying training opportunities optimizing the use of DCA SOLID training classes. Management continues to provide options for on-the-job training and job shadowing. Managers meet weekly with staff to identify challenges, celebrate successes, and identify areas of improvement. Executive management continues to report to the Board annually through the strategic plan performance appraisals and IDPs offered and completed for staff.

CONCLUSION

The California State Board of Pharmacy 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.

Anne Sodergren, Executive Officer

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