

December 26, 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 Respiratory Care Board of California 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 Christine Molina, Executive Officer, at (916) 999-2212, Christine.Molina@dca.ca.gov.

## **GOVERNANCE**

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### **Mission and Strategic Plan**

The Respiratory Care Board's (RCB) mission is to protect and serve consumers by licensing qualified respiratory care practitioners, enforcing the provisions of the Respiratory Care Practice Act, expanding the availability of respiratory care services, increasing public awareness of the profession, and supporting the development and education of respiratory care practitioners.

### **Strategic Goals and Objectives:**

1 Administration – Enhance organizational effectiveness and improve processes and customer service.

- Develop strategies to obtain timely feedback from stakeholders.
- Monitor the budget and fund condition to determine if statutory fee adjustments are necessary.
- Monitor and implement the Board's succession plan to minimize workflow disruptions.
- Educate licensees about Board actions, rules, and processes.
- Increase public awareness of the profession and the Board to foster participation.

2. Licensing – Ensure initial and continuous competency requirements are met.

- Maintain rigorous education and licensing standards.
- Update and streamline licensing processes to reflect professional and statutory changes.
- Provide timely and accurate information to applicants, licensees, and educational

institutions.

- Evaluate workforce needs to ensure supply of qualified practitioners.

3. Enforcement – Protect consumers through prevention and enforcement.

- Investigate complaints and take timely, effective disciplinary action.
- Monitor probationers to ensure compliance with Board orders.
- Update disciplinary guidelines to reflect current laws and best practices.
- Collaborate with facilities and stakeholders to reduce unlicensed or unsafe practice.

**Entities Under Reporting Responsibility:**

The Board is a healing arts regulatory licensing board under the Department of Consumer Affairs (DCA). The Board is solely responsible for regulating the practice of respiratory care in California, licensing and disciplining respiratory care practitioners, and enforcing the Respiratory Care Practice Act.

**Control Environment**

**Integrity and Ethical Values**

Management of the Board demonstrates integrity and ethical values through adoption of core values established in the Board's Strategic Plan: ethical decision-making, diversity, dignity, individual growth, quality, flexibility, teamwork, and efficiency. These values are reinforced through codes of conduct, annual ethics and security training required by the DCA, and acknowledgement of statewide policies. Staff are encouraged to report ethical concerns to management, DCA Human Resources, or through established state whistleblower channels. The Executive Officer promotes a culture of openness where staff may safely identify errors, inefficiencies, or potential violations.

**Oversight**

Oversight is provided by a nine-member Board composed of four respiratory care practitioners, four public members, and one physician. Appointments are made by the Governor, the Speaker of the Assembly, and the Senate Rules Committee. The Board establishes policy, approves regulations, and reviews enforcement matters. External oversight is also provided by the DCA, the Business, Consumer Services and Housing Agency, and the Legislature through the Sunset Review process.

**Organizational Structure**

The Board's Executive Officer provides leadership and direction for staff and implements Board policy. Two managers oversee licensing, enforcement, and administrative operations, supported by 16 total staff including the EO. Duty statements and organizational charts define reporting lines and ensure appropriate levels of responsibility and authority. Cross-training and

small-office operations allow for direct communication between staff, managers, and the executive officer.

### **Documentation of the Control System**

RCB maintains written procedures, desk manuals, and workforce succession planning documents to ensure controls are documented and consistently applied. Updates are incorporated following changes in statutes, regulations, or DCA policy. These materials are periodically reviewed during internal audits, Sunset Review, and succession planning updates.

### **Competent Workforce**

The Board's workforce is highly experienced, with most employees serving more than 20 years. Management emphasizes continuous training, knowledge transfer, and cross-training to maintain competency. The Workforce and Succession Plan (2025–2030) addresses retirement eligibility, recruitment pipelines, and skill development to ensure operational continuity. Staff participate in DCA training programs, statewide professional development opportunities, and unit-specific training to stay current with policy and regulatory requirements.

### **Accountability**

Management enforces accountability through performance reviews, workload monitoring, and oversight of licensing and enforcement processes. Staff performance expectations are tied directly to the Board's mandate of consumer protection. Processes include separation of duties, management approval of enforcement actions, and monthly case reviews. Management is attentive to workload pressures and distributes tasks equitably, while monitoring timelines to prevent unreasonable or excessive demands.

### **Information and Communication**

#### **Collection and Communication of Information**

The Board collects and communicates relevant and reliable information through structured monitoring and reporting processes. Operational data is tracked in BreEZe and internal databases to measure licensing and enforcement activity. Programmatic updates are collected through monthly management communications, staff reports, and case reviews. Financial information is reviewed regularly through budget reports, fund condition statements, and reconciliations provided by the DCA. This information is analyzed by management and shared with staff, Board members, and external oversight bodies to support operational, programmatic, and financial decision-making.

#### **Internal Communication Channels**

Information flows openly up, down, and across the organization. Staff communicate directly with supervisors and managers in daily work and through scheduled staff meetings. The

Executive Officer provides updates on strategic initiatives, workload, and policy changes. Because of the Board's small size, staff are able to communicate directly with management across units, ensuring collaboration between licensing, enforcement, and administration. This structure promotes transparency, early identification of issues, and consistent application of policies.

### **External Communication Channels**

Communication with external stakeholders occurs through multiple channels. Public Board meetings are held two to three times per year in compliance with the Bagley-Keene Open Meeting Act, and materials are posted on the Board's website. Updates are also provided through newsletters, guidance letters, and direct email to licensees, educational programs, and facility administrators. The Board maintains a subscription-based listserv and uses social media to expand outreach. Stakeholders are invited to attend meetings, participate in strategic planning sessions, and provide feedback through email, website forms, or correspondence.

### **Reporting Inefficiencies or Inappropriate Actions**

Employees are encouraged to report inefficiencies, errors, or inappropriate actions directly to supervisors or executive management. The Executive Officer fosters a culture of openness in which staff may raise concerns without hesitation. Concerns may also be reported through formal channels provided by DCA, including Human Resources, the Internal Audits Office, and the DCA's whistleblower mechanisms. Staff are trained annually on ethics and reporting responsibilities, ensuring awareness of available processes.

## **MONITORING**

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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 Respiratory Care Board of California monitoring practices are implemented and functioning. The responsibilities as the executive monitoring sponsor(s) have been given to: Christine Molina, Executive Officer.

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The Board employs an entity-wide, continuous monitoring process to ensure the effectiveness of its risk management and internal control systems. Monitoring occurs across all programs and involves both routine oversight and periodic reviews.

### **Routine Activities to Identify Potential Problems**

- Key Performance Indicators: The Board tracks licensing processing times, enforcement case cycle times, probation monitoring activity, and continuing education audits. Trends are analyzed monthly, and variances are reviewed by managers.
- Meetings: Regular staff and management meetings provide a forum to review performance data, discuss operational issues, and identify potential risks early.
- Reconciliations: Fiscal reconciliations and case management reviews are performed regularly to confirm accuracy and ensure compliance with established standards.

### **Periodic Detailed Reviews**

- Independent Internal Review: Knowledgeable staff not directly involved in day-to-day operations periodically review processes, desk manuals, and workload outputs to confirm accuracy and identify inefficiencies.
- External Review: DCA's Internal Audits Office and the Legislature's Sunset Review process provide independent oversight. Audit findings and legislative feedback are incorporated into improvements to strengthen internal controls.

### **Comparison of Results to Expectations**

Results from monitoring are compared against established benchmarks, statutory requirements, and consumer protection objectives. Where outcomes fall short of expectations, corrective actions are initiated to realign performance with goals.

### **Ownership of Vulnerabilities**

When monitoring identifies vulnerabilities, management assigns ownership to a responsible individual or unit. Clear timelines and expectations for corrective action are set, and accountability is reinforced through follow-up reporting.

### **Progress Monitoring**

Management tracks the implementation of corrective actions until vulnerabilities are resolved. This includes updating desk manuals, revising policies, retraining staff, or escalating systemic issues to DCA for further support. Progress is monitored and communicated to staff, Board members, and oversight entities to ensure sustained improvement.

### **Executive Monitoring Sponsors**

The Executive Officer and Assistant Executive Officer serve as executive monitoring sponsors. They facilitate and verify that monitoring practices are consistently applied, results are communicated, and identified vulnerabilities are addressed in a timely manner.

### **Continuous Improvement**

The Board fosters a culture that treats monitoring as an opportunity for learning and improvement. Staff are encouraged to raise concerns, identify inefficiencies, and report issues without fear of reprisal. This culture ensures that monitoring is not only a compliance requirement but also a driver of continuous organizational effectiveness.

## **RISK ASSESSMENT PROCESS**

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

The following personnel were involved in the Board's risk assessment process: Executive Management and Middle Management.

The following methods were used to identify risks; brainstorming sessions, ongoing monitoring activities, audit/review results, other/prior risk assessments, external stakeholders, and performance metrics.

The following criteria were used to rank risks; likelihood of occurrence, potential to impact mission/goals/objectives, timing of potential event, and tolerance level for the type of risk.

The Board conducts its risk assessment process with broad participation from executive management, frontline management, and staff. This structure ensures that risks are identified from multiple perspectives and that operational realities are captured alongside strategic priorities.

Risks are identified through brainstorming during management meetings, ongoing monitoring of licensing and enforcement activity, review of DCA Internal Audit reports, analysis of prior SLAA assessments, and feedback from stakeholders. Performance metrics, such as licensing

processing times, enforcement case cycle times, and fund condition trends, are also used to flag areas of potential risk.

Once identified, risks are evaluated using standardized criteria. The Board considers the likelihood of occurrence based on historical data and current trends, as well as the potential impact on its mission, goals, and objectives, with priority always given to consumer protection concerns. The timing of potential events is also factored into the assessment, such as known retirement eligibility within the workforce or upcoming legislative or regulatory changes. In addition, the Board evaluates the tolerance level for each type of risk, recognizing that some risks may be accepted if the cost of mitigation outweighs the benefits. After evaluation, risks are discussed by management, and ownership for mitigation is assigned. Controls are then developed or updated, and progress is monitored through SLAA implementation plans and internal management reporting. This structured approach allows the Board to identify emerging risks, measure their impact, and allocate resources toward the highest-priority areas, ensuring continuity of operations and consumer protection.

## **RISKS AND CONTROLS**

### **Risk: Workforce and Succession Planning**

A significant portion of the Board's workforce is eligible to retire within the next five years, creating a high risk of institutional knowledge loss and disruption to operations. The event causing concern is the simultaneous or near-simultaneous departure of staff with long tenure and specialized expertise. The root causes include an aging workforce, state hiring processes that are lengthy and competitive, and limited applicant pools for specialized positions. Without adequate succession planning, the impact would be delays in licensing, enforcement, and administrative functions, directly affecting the Board's ability to protect consumers and fulfill its statutory mandate.

#### **Control: Workforce and Succession Plan**

The Board has developed and maintains a current workforce and succession plan that identifies critical positions, retirement eligibility, recruitment pipelines, and competency gaps. The plan includes strategies for knowledge transfer and

leadership development. This control reduces the risk by ensuring management anticipates staffing needs, prepares qualified successors, and prevents disruption of consumer protection services.

#### **Control: Cross Training and Business Process Manuals**

Limited staff are cross trained across licensing, enforcement, and administrative functions, and all staff are required to maintain current desk manuals for their positions. This activity reduces risk by ensuring continuity of operations when vacancies occur and by preserving institutional knowledge in a documented, accessible format.

#### **Control: Ongoing Monitoring of Retirement Trends**

Management reviews workforce demographics, retirement projections, and turnover data on a regular basis. Updates are shared with staff and factored into strategic planning. This reduces the risk by allowing leadership to anticipate upcoming vacancies and implement succession strategies before critical gaps develop.

### **Risk: Fund Condition**

The Board is a special-funded entity, relying solely on licensing and renewal fees to support operations. Rising costs for enforcement, Attorney General services, and statewide administrative charges have the potential to exceed revenue under the Board's current fee cap authority. The event causing concern is that expenditures may outpace revenue, creating structural deficits that threaten the Board's ability to sustain consumer protection programs. The root causes include statutory fee limitations, inflationary increases in external costs, and limited flexibility in adjusting revenues without legislative action. If fund condition pressures are not addressed, the impact could

include delays in licensing and enforcement services, reduced staff resources, and erosion of consumer protection.

#### **Control: Budget and Fund Condition Monitoring**

Management reviews budget reports, fund condition statements, and expenditure data provided by the DCA. Monthly analysis allows the Board to track revenue and costs, detect potential imbalances, and plan corrective measures in advance. This control reduces risk by ensuring financial issues are identified early and managed before they impact operations.

#### **Control: Evaluation of Fee Authority and Long-Term Planning**

The Board periodically evaluates its statutory fee authority and projected fund condition to determine whether revenues remain sufficient to support operations. When necessary, the Board prepares recommendations and engages with stakeholders and policymakers to ensure future funding stability. This activity reduces risk by positioning the Board to respond proactively to financial pressures before they compromise consumer protection.

#### **Control: Cost Containment Strategies**

The Board implements cost-containment measures such as virtual Board and Committee meetings, electronic workflows, and efficient use of telework. These strategies reduce expenditures without compromising service delivery, helping to maintain a balanced fund condition.

## CONCLUSION

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The Respiratory Care Board of California 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.

**Christine Molina, 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