December 18, 2023

Amy Tong, Secretary
California Government Operations Agency
915 Capitol Mall, Suite 200
Sacramento, CA 95814

Dear Secretary Amy Tong,

In accordance with the State Leadership Accountability Act (Leadership Accountability), the Office of Cradle-to-Career Data 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 Lesley Taylor, Director of Operations, at (916) 208-8493, lesley.taylor@c2c.ca.gov.

## GOVERNANCE

### Mission and Strategic Plan

The 2021-22 State budget package created the Office of Cradle-to-Career Data (C2C) within the Government Operations Agency to be the managing entity for the Cradle-to-Career Data System, serving as a neutral administrative body to initiate the data system; ensure wide, appropriate, and legal use of the data system as a one-stop shop for cradle-to-career data to support policy researchers; scale operational tools to better serve educators, students, and families; and implement communications, professional development, and technical assistance that supports data system use.

The mission of C2C is to be California's source of actionable data and research on education, economic, and health outcomes for individuals, families, and communities; to expand access to tools and services to navigate the education to employment pipeline. The vision is that the California Cradle-to-Career Data System connects individuals and organizations with trusted information and resources, providing insights into critical milestones in the pipeline from early care to K–12 to higher education, skills training, and employment. The data system empowers individuals to reach their full potential and fosters evidence-based decision-making to help California build a more equitable future.

Strategic goals and objectives are articulated in the [Strategic Plan of the California Cradle-to-Career Data System Governing Board](#) and the California Cradle-to-Career Data System 2023-24 Updated [5-Year Timeline](#)and [Workplan](#). The C2C Governing Board approved both plans at its August 9, 2023 meeting.

### Control Environment

The C2C staff team collaboratively developed core values that the Executive Director shared with the C2C Governing Board at its February 8, 2023 meeting. The [values](#) are: advancing

equity, transparency, accountability, collaboration, and curiosity. C2C operationalizes these values and challenges its team to demonstrate these values, integrity, and ethics in all aspects of C2C's work.

Oversight of C2C is provided by a 21-member Governing Board that includes representatives of C2C's data partners, two legislators, and eight public members–four appointed by the Governor and four appointed by the Legislature. The Governing Board provides oversight of the data system and operational direction to C2C as the managing entity by adopting a strategic plan; approving budget change concepts; ensuring C2C uses a user-centered design approach; reviewing and approving plans, recommendations, and content changes; conducting data quality audits; providing for other audits and evaluations; adopting rules and exercising authority to promulgate regulations; and providing regular reports to the Legislature and Governor. The Governing Board has adopted a [Governance Manual](#), which is designed to define and describe the authority, policies, and procedures for the oversight and governance of the Cradle-to-Career Data System.

C2C is led by an Executive Director selected by the Governing Board. The organizational structure is largely based on four verticals–Data Infrastructure, Data Programs, Engagement, and Operations. The Executive Team is comprised of the Executive Director, the Directors of each vertical, and the General Counsel and Chief Privacy Officer, ensuring an appropriate level of responsibility and authority. All levels of management recruit, develop, and maintain a competent workforce.

The control system is anchored in C2C's accountability to its Governing Board and the requirements of its authorizing statute. Specific opportunities to assess internal and external risk and control include weekly meetings between C2C executive staff and GovOps executive staff, weekly C2C leadership meetings, biweekly meetings between C2C leadership and the C2C Governing Board Chair and Chair Elect, and regular meetings with control agencies.

## Information and Communication

C2C communicates information necessary to achieve its objectives through internal and external channels. Regular internal communication throughout C2C occurs during all-staff stand-up meetings four days per week, regular 1:1 meetings between supervisors and direct reports, regular vertical team meetings, weekly leadership meetings, and monthly all-staff equity-building collaborative sessions. These structures encourage employees to apply organizational values in the exploration of potential inefficiencies. Employees receive information about Whistleblower protections upon hire and on an annual basis organization-wide. Other channels for internal communication include applications used for email, group chats and direct messages, project management, and electronic file management.

C2C works and communicates regularly with partner agencies that provide essential services and reliable information for operational, programmatic, and financial decision-making under the scope of interagency agreements that leverage civil service capacity. C2C continuously works across organizational lines in partnership with its Data Providers to accomplish the objectives of the authorizing statute.

C2C regularly shares information with interested parties and the general public through

quarterly Governing Board meetings; five annual Advisory Board meetings; Governing Board committee meetings; and Community Conversations, interactive webinars to engage the public to inform development, interpretation, and awareness of the data system, and foster an environment and culture of collaboration. All public meetings are webcast to increase accessibility. Other external communication channels include C2C's website and social media presence.

## 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 Office of Cradle-to-Career Data monitoring practices are implemented and functioning. The responsibilities as the executive monitoring sponsor(s) have been given to: Lesley Taylor, Director of Operations.

C2C responds to potential risks and vulnerabilities as they are identified by developing policies and procedures, conducting training for employees and contractors, and consulting with experts such as C2C's Security Policies Task Force. Routine activities to identify potential problems include frequent and regular meetings, clear written documentation of which staff member is accountable for achieving each item on the C2C work plan, outcomes-focused management, and implementation of project management practices across the organization. Ownership for addressing vulnerabilities is assigned and tracked according to clearly defined roles.

Oversight from GovOps, the C2C Governing Board, and control agencies provides opportunities for external review and progress monitoring. Management and staff regularly check progress against key performance indicators in the context of the California Cradle-to-Career Data System 2023-24 Updated 5-Year Timeline and Workplan, including during public meetings of C2C's Governing and Advisory Boards. Based on the progress made and a comparison of results to expectations, the 5-year timeline is adjusted and a new annual workplan is prepared in alignment with the start of each fiscal year.

## RISK ASSESSMENT PROCESS

The following personnel were involved in the Office of Cradle-to-Career Data 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, 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, timing of potential event, potential impact of remediation efforts, and tolerance level for the type of risk.

## RISKS AND CONTROLS

### Risk: Technology—Data Security, Cybersecurity

A security incident represents a significant potential legal exposure that would result in a loss of credibility with C2C's Data Providers, control agencies, the Legislature, and the public. Response to an incident could be very costly and time consuming.

#### Control: Implement recommendations of Security Policies Task Force

The Security Policies Task Force consists of representatives from C2C's Data Providers, particularly people responsible for information security at those state agencies, as well as security experts identified by C2C. The Task Force is entrusted with advising the managing entity on security documents and processes for the system. After the initial policies are created, the Task Force will meet at least once a year to review security policies and practices and to recommend updates. The Task Force complements required planning and reporting activities related to information security and helps to reduce this risk.

### Risk: Staff—Recruitment, Retention, Staffing Levels

Information technology classifications have proven challenging to fill, requiring specialized skills that are difficult to find in the state's existing workforce. Applicants seeking to enter the civil service workforce from the private sector experience challenges navigating State requirements and salaries are often not competitive. Delays filling these positions cause a gap between staff skills and the critical needs of the entity and result in reduced bandwidth that may adversely impact the timelines to develop, release, and maintain the data system and analytical tools.

#### Control: Conduct targeted outreach

C2C is working with GovOps and other departments to amplify job postings, connect with professional associations and affinity groups, and define positions that will be attractive to candidates while meeting C2C's operational needs. This activity reduces the risk by increasing and diversifying the candidate pool.

### Risk: Staff—Key Person Dependence, Workforce Planning

C2C has only 26 authorized positions, which can create challenges in cross-training backups. Staff experts are often relied upon exclusively without sufficient backup to assist in their absence. An extended absence or loss of key personnel is likely to result in significant gaps between organizational bandwidth and critical operational needs, including progress toward statutorily-defined objectives.

#### Control: Develop a Workforce Plan

C2C is actively recruiting for its vacant positions to complete the staff team and supports a human-centered organizational culture that values individuals and promotes balance to avoid burnout. C2C prioritizes clear documentation, shared file structures, and project

management software to ensure team members can access and move forward with work in the case of an unexpected short-term absence. C2C leverages the bandwidth and expertise of GovOps and GovOps departments, retired annuitants, and staff at partner organizations to ensure the proper depth of expertise to advance C2C's statutory obligations. As the organization matures, more formal application of the State of California Workforce Planning Model will inform recruitment, retention, employee development, knowledge transfer, and succession management strategies.

## CONCLUSION

The Office of Cradle-to-Career Data 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.

**Mary Ann Bates, 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