



State Leadership Accountability Act (SLAA) Update

Rebecca Franklin

Director of Enterprise Risk Management and Compliance



State Leadership Accountability Act

- Mandate by law
- Due on December 31st of each odd numbered year
- Adequacy of the entity's internal control and monitoring practices
 - Control environment
 - Internal controls' effectiveness
 - Top enterprise risks



Enterprise Risk
Survey



Identify
Top Risks



Meet with
Directors to
Gather
Mitigations
and Controls



Report
Development



Submit to
DOF

2019 Risks



Key Person Dependence,
Workforce Planning



Funding - Sources, Levels



Technology - Data Security

2021 Proposed Risks



Training, Knowledge,
Competence



Technology - Data Security



Housing Finance Administration



Training, Knowledge, Competence

Functional Objective: To establish and maintain a knowledgeable and qualified workforce.

Risk Statement: Inability to maintain a knowledgeable and qualified workforce inhibits the Agency's ability to execute all business objectives effectively.

MITIGATIONS & CONTROLS

- Fully staffed Executive Team
- Expansion & successful recruitment of mid-level management positions
- Buddy system for onboarding new employees
- Knowledge transfer and job shadowing for all employees
- Develop and maintain desk procedures
- Increased recruitment efforts to include direct outreach and partnership with universities and other industry associations



Technology - Data Security

Functional Objective: To ensure the continual confidentiality and availability of the CalHFA's data assets.

Risk Statement: Failure to protect the confidentiality and availability of the organization's data from an information security breach.

MITIGATIONS & CONTROLS

- Established multi-layered framework to mitigate risks associated with data security and data loss
- Enhanced security measures for email, logins, and mobile devices
- Leveraging the use of cloud for data backup and storage
- 24-hour security monitoring and alerting of Agency systems
- Increased staffing to the Security and Exchange unit
- Information Security Council
- Mandatory security awareness training for staff & vendors
- Routine phishing tests conducted



Housing Finance Administration

Functional Objective: To ensure CalHFA stays relevant in the market and provides a positive impact in addressing the housing needs of Californians.

Risk Statement: Inability to stay relevant in the market and positively impact addressing the housing needs of Californians.

MITIGATIONS & CONTROLS

Evaluation and adaptation of products and offerings to meet current market demands

- Raise in the Down Payment Assistance Cap on certain products
- Elimination of Down Payment Assistance Cap on certain products
- Elimination of the 5 acre property limit on certain products
- Enhanced home buyer assistant program

Creation of new and innovative programs to leverage new market opportunities

- Recycled Bonds Program
- ADU Grant Program
- Leveraging Mixed-Income Program funding to provide more competitive rates for Multifamily Programs



Housing Finance Administration

MITIGATIONS & CONTROLS (cont'd)

Establishing and maintaining key partnerships

- Federal Financing Bank program
- Federal advocacy
- Community Development Financial Institutions

Enhanced and targeted market and outreach of programs and offerings

- Building Black Wealth Initiative



Questions