



# CALIFORNIA STATE AUDITOR

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# FACT SHEET

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Report: 2009-043

The California State Auditor released the following report today:

## **Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun** *It Needs to Develop Procedures and Controls Over Its Operations and Finances to Ensure That It Complies With Legal Requirements*

### **BACKGROUND**

The Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun (board) licenses pilots who guide certain vessels into, out of, and through San Francisco, San Pablo, Suisun, and Monterey bays and the ports of West Sacramento and Stockton. The board also investigates navigational incidents, misconduct, and other matters involving pilots (incidents) and maintains a training program for new pilots. The board receives its funding through surcharges added to the bill for a pilot's services.

### **KEY FINDINGS**

During our review of the board's compliance with state laws and regulations related to its form, function, and finances, we noted the following:

- The board did not consistently follow procedures outlined in state law when licensing pilots. In one case the board licensed a pilot 28 days before he received a required physical examination; during that period, he piloted vessels 18 times. In another case, the board renewed a license for a pilot who had not had a physical examination that year. By not ensuring licensees have an annual physical examination, the board risks licensing pilots who may not be fit to perform the duties of a pilot.
- The board did not fully comply with state law regarding investigations of incidents. Of the 24 investigations involving pilots, the board did not complete 17 within the 90-day statutory deadline.
- The board failed to ensure that all pilots completed required training requirements. In addition, it did not require training providers to prepare evaluations of pilots' performance.
- The board lacks controls to protect confidential information regarding board members, staff, and pilots. In fact, we observed that the board inappropriately released a pilot's home address and Social Security number to a nonprofit organization.
- The board did not comply with legal requirements regarding the filing of statements of economic interests, posting notices of meetings in a timely fashion, and conducting annual evaluations of its former executive director.
- The board paid for pilots to fly business class when they attended a continuing education course in France, when economy class could be roughly 40 percent less expensive.

### **KEY RECOMMENDATIONS**

We made many recommendations to the board including the following:

- Recently established procedures should be followed to verify that pilots fulfill all requirements for licensure and implement a procedure for approving and monitoring board-appointed physicians.
- Track the progress of investigations to identify those that may exceed the deadline.
- Adopt procedures for accessing confidential information and for maintaining copies of required statements of economic interests.
- Cease reimbursing pilots for business-class travel when they fly for training.

