I. ROLL CALL

II. PUBLIC SPEAKERS*

III. REPORTS/RECOMMENDATIONS/ACTION
   A. Enrollment Update
   B. Second Quarter Financial Report – Colleges
   C. Update on SIS/Cyber
   D. Update on Internal Audit Quarterly – Human Resources

IV. FUTURE DISCUSSION/AGENDA ITEMS

V. FUTURE BUDGET & FINANCE COMMITTEE MEETING DATES
   • APRIL 19, 2017

VI. NEW BUSINESS

VII. SUMMARY – NEXT MEETING ................................................................................................................. Ernest H. Moreno

VIII. ADJOURNMENT

*Members of the public are allotted three minutes time to address the agenda issues.
If requested, the agenda shall be made available in appropriate alternate formats to persons with a disability, as required by Section 202 of the American with Disabilities Act of 1990 (42 U.S.C. Section 12132), and the rules and regulations adopted in implementation thereof. The agenda shall include information regarding how, for whom, and when a request for disability-related modification or accommodation, including auxiliary aids or services may be made by a person with a disability who requires a modification or accommodation in order to participate in the public meeting. To make such a request, please contact the Executive Secretary to the Board of Trustees at 213/891-2044 no later than 12 p.m. (noon) on the Tuesday prior to the committee meeting.
B. 2\textsuperscript{nd} Quarter Financial Report - Colleges
## Los Angeles Community College District
### 2016-2017 Current Budget Allocation and Projected Expenditures
#### Unrestricted General Fund
**by College as of January 31, 2017**

<table>
<thead>
<tr>
<th>College</th>
<th>Current Budget as of Jan 31, 2017</th>
<th>Current Expenditure as of Jan 31, 2017</th>
<th>Projected Expenditure as of Jan 31, 2017</th>
<th>Additional College Revenues</th>
<th>Other Savings</th>
<th>Projected Growth Funding</th>
<th>Revised Total Budget with College Augmentation</th>
<th>Projected Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>City</td>
<td>62,118,391</td>
<td>35,471,589</td>
<td>63,390,429</td>
<td>(1,299,196)</td>
<td>0</td>
<td>0</td>
<td>60,819,195</td>
<td>(2,571,234)</td>
</tr>
<tr>
<td>East</td>
<td>118,118,927</td>
<td>65,553,453</td>
<td>114,187,644</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>118,118,927</td>
<td>3,931,283</td>
</tr>
<tr>
<td>Harbor [^1]</td>
<td>36,023,330</td>
<td>22,094,876</td>
<td>41,795,289</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>36,023,330</td>
<td>(5,771,959)</td>
</tr>
<tr>
<td>Mission</td>
<td>35,010,329</td>
<td>19,729,071</td>
<td>35,795,696</td>
<td>390,355</td>
<td>0</td>
<td>0</td>
<td>35,400,684</td>
<td>(395,012)</td>
</tr>
<tr>
<td>Pierce</td>
<td>82,979,308</td>
<td>42,389,151</td>
<td>77,152,124</td>
<td>145,683</td>
<td>0</td>
<td>0</td>
<td>83,124,991</td>
<td>5,972,867</td>
</tr>
<tr>
<td>Southwest</td>
<td>31,059,086</td>
<td>18,721,280</td>
<td>33,541,276</td>
<td>27,451</td>
<td>0</td>
<td>0</td>
<td>31,086,537</td>
<td>(2,454,739)</td>
</tr>
<tr>
<td>Trade-Tech</td>
<td>66,074,377</td>
<td>36,379,838</td>
<td>64,666,475</td>
<td>(1,328,144)</td>
<td>0</td>
<td>0</td>
<td>64,746,233</td>
<td>79,758</td>
</tr>
<tr>
<td>Valley</td>
<td>64,515,779</td>
<td>33,857,773</td>
<td>62,534,468</td>
<td>(1,200,545)</td>
<td>0</td>
<td>0</td>
<td>63,315,234</td>
<td>780,766</td>
</tr>
<tr>
<td>West</td>
<td>43,390,569</td>
<td>23,980,227</td>
<td>42,813,021</td>
<td>(62,395)</td>
<td>0</td>
<td>0</td>
<td>43,328,174</td>
<td>515,153</td>
</tr>
<tr>
<td>ITV</td>
<td>1,177,216</td>
<td>713,056</td>
<td>1,221,879</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1,177,216</td>
<td>(44,663)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>540,467,312</strong></td>
<td><strong>298,890,313</strong></td>
<td><strong>537,098,301</strong></td>
<td>(3,326,791)</td>
<td>0</td>
<td>0</td>
<td><strong>537,140,521</strong></td>
<td>42,220</td>
</tr>
</tbody>
</table>

[^1]: Harbor College data as of Dec 31, 2016.
D. Internal Audit Quarterly Update – Human Resources
BUDGET AND FINANCE COMMITTEE
INTERNAL AUDIT DEPARTMENT
2016-17 QUARTERLY REPORT
February 22, 2017

A. Educational Service Center Human Resources Audit Report
B. Request from Trustees for potential audit areas
Report No. D-01-1617: Educational Service Center Human Resources Audit Summary Document

<table>
<thead>
<tr>
<th>Overall Audit Rating</th>
<th>Number of Issues by Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impaired</td>
<td></td>
</tr>
<tr>
<td>High</td>
<td>20</td>
</tr>
<tr>
<td>Considerable</td>
<td>08</td>
</tr>
<tr>
<td>Moderate</td>
<td>10</td>
</tr>
<tr>
<td>Marginal</td>
<td>0</td>
</tr>
<tr>
<td>Total Issues</td>
<td>38</td>
</tr>
</tbody>
</table>

**Major Issues Identified:**

**High Findings**

1. Disqualification notification letter not sent to all responsible employees. (100% error rate)
2. Personnel file missing documents. (100% error rate)
3. Document required for new hires were missing one or more required documents. (100% error rate)
4. Lack of documentation validating completeness of probationary evaluations. (100% error rate)
5. Lack of documentation validating that the employee exit process was completed. (100% error rate)
6. Lack of documents to validate fingerprinting and FBI screening process for employees. (85% to 100% error rate)
7. Academic minimum qualifications not performed timely. (96% error rate)
8. New hires started work prior to the approval of the Personnel Change Request (PCR). (33% to 90% error rate)
9. The required documents to establish dependent coverage was not provided for review. (36% to 87% error rate)
10. I-9 information was not provided. (20% to 86% error rate)
11. Employees' tuberculosis examinations not present and/or updated as required. (28% to 68% error rate)
12. Teaching after denial of academic qualification. (64% error rate)
13. I-9 information is not verified timely. (25% to 33% error rate)
14. Committee access in HR People Admin not deactivate after position/job process is completed. (1,396 employees have access)
15. Lack of safeguarding of employee official personnel files.
16. Access is granted to employees for review of their personnel files without proper validation of employee’s identification.
17. Passwords to the Department of Justice Live Scan system not changed when change in personnel.
18. The ESC does not maintain a centralized check mailing address as the health benefits unit is receiving checks.
19. There is no segregation of duties in regards to authorizing benefits for employees and dependents.
20. HRD does not have a process in place to initiate the removal of adverse materials from the personnel files for academic employees.

Considerable Findings
1. Employee performance evaluations are not completed timely. (81.25% error rate)
2. Lack of documentation validating the resignation process was followed. (51% error rate)
3. Tuition reimbursement not approved. (50% error rate and $25,372.64 dollar error)
4. Minimum qualification information not entered in SAP system. (22.2% to 50% error rate)
5. The tuition reimbursement applications are not date stamped indicating date of receipt. (25% error rate and $14,497.63 dollar error)
6. Personnel files were not provided for review. (16% error rate)
7. The LACCD does not have a process in place to ensure that employees receiving certificate differentials have active licenses on file.
8. The employee started work prior to the completion of the required documentation by the ESC HR as noted by the date stamp on the required forms.

Moderate Findings
1. Lack of documents validating entitlement to employee’s differential pay. (17% to 50% error rate)
2. Lack of documents validating tuition reimbursement payments. (15.78% error rate and $10,517.00 dollar error)
3. Missing personnel files for employees who separated from the LACCD. (12.5% error rate)
4. Employee granted incorrect access based on employee’s job description and/or duties. (7% error rate)
5. Lack of segregation of duties. (5.56% error rate, $3,000 dollar error)
6. There were misfiled and/or mislabeled official personnel files (5% error rate)
7. No evidence to substantiate that there is a review and approval process for differential.
8. There are no procedures in place associated with the frequency of accessing the fingerprint database to validate the delivery of reports furnished by the Department of Justice.
9. The LACCD does not have a new hire orientation program for Classified and Unclassified employees.
10. Inadequate written policies and procedures associated with required documentation to be maintained in the employees' personnel files.
Executive Summary

Audit: Educational Service Center – Human Resources Audit

From: Arnold Blanshard, CPA/CRMA/MBA, Director; Internal Audit

Audit Report Date: September 30, 2016

Audit Period: July 01, 2014 through December 31, 2015

<table>
<thead>
<tr>
<th>Overall Audit Rating</th>
<th>Number of Issues by Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impaired</td>
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<tr>
<td>Considerable</td>
<td>08</td>
</tr>
<tr>
<td>Moderate</td>
<td>10</td>
</tr>
<tr>
<td>Marginal</td>
<td>0</td>
</tr>
<tr>
<td>Total Issues</td>
<td>38</td>
</tr>
</tbody>
</table>

Overall risk program is not acceptable. Multiple “high” or “considerable” rated findings were identified. Control deficiencies place the District/college at an imminent risk of material financial loss, significant regulatory criticism, fines, sanctions or significant reputation damage. Controls require extensive improvement to ensure timely detection and correction of risk exposures. Key policies are not in place or are not sufficiently documented, communicated and/or followed. Immediate Executive management attention is required to implement corrective action, including formalizing and communicating risk management procedures.

BACKGROUND

The mission of the Los Angeles Community College District Human Resources Division (HRD) is to foster “a District-wide culture of service and accountability. HRD achieves its mission by providing services and products that allow our college clients to function as highly effective and efficient independent entities, while simultaneously enjoying the unique benefits that come from participation in a large, multi-college district.” It is the goal of the HRD to “strive to create, support, and maintain a positive and nurturing work environment for our current and prospective employees.” The HRD incorporates practices that help establishes equitable administration to assist with meeting the goals of the department. Additionally, these practices allows for the ability to meet the needs of students, the communities for which the District operates, and the employees that are hired to execute functions that meet the overall goal of the Los Angeles Community College District (LACCD).

It is the responsibility of the Educational Service Center (ESC) HRD that the LACCD adheres to the regulations and policies and procedures administrated by various agencies such as state, local and government entities. The ESC HRD ensure that LACCD operates within the guideline of the LACCD board rules, LACCD Administrative Regulations and general policies and procedures to human
resources functions. To that extent the ESC HRD provides support to “assist the colleges with all aspect of their employment services, including the recruitment, qualification and hiring of academic personnel, the hiring of classified staff, performance management, training, employee professional development, and the administration of the LACCD Wellness Program”. Due to the decentralization of the HR functions, each campus has employees designated with handling various aspects of the human resource functions that are filtered back through the ESC for finalization of processes.

The ESC HRD consists of three units: operations, risk management, and employer/employee relations. Each unit is unique and serves the following functions:

**Operations**
- Selections, hiring, qualification & assignment: leaves management and maintenance of accurate data and personnel records
- Communication and development of HR policies
- Provide informational reports as requested and/or needed
- Training for SPOC and other employees

**Employee Employer Relation**
- Disciplinary and Grievance process and performance management
- Collective Bargaining

**Risk Management**
- Health Benefits
- Workers Compensation
- Property & Liability including student Accident Insurance
- Health & Safety
- Districtwide Professional Development and EAP Wellness Program

**PURPOSE/OBJECTIVES**
- The Human Resources operation are conducted in accordance with established policies and procedures as mandated by the State and Federal laws, Los Angeles Community College Board rules, Administrative regulations and internal operational procedures.
- Job descriptions exist for each job function and reflect employees’ actual duties and responsibilities.
- Employee performance appraisal system is working as intended.
- Legal compliance are adhered to.
- Management has a process to control overtime and approve time cards in accordance with LACCD’s policy.
- Internal controls within the daily operational activities of the HR department are adequate to mitigate potential risks.
- The current policies and procedures are adequate in running an effective and efficient operation.
SCOPE
The scope of the audit was inclusive of the review of processes and procedures that include Educational Service Center Human Resource Department activities for the period July 1, 2014 through December 31, 2015 as it relates to the purposes/objectives noted above.

The objectives “Job descriptions exit for each job functions and reflect employees’ actual duties and responsibilities” and “Management has a process to control overtime and approve time cards in accordance with LACCD’s policy” were not examined (scoped out) during the audit examination.

The Internal Audit Department (IAD) interviewed key employees charged with the responsibility of executing the objectives of the ESC HR processes relating to the HR units and functions to ascertain the controls currently in place are operating effectively and efficiently.

This audit was conducted in accordance with Generally Accepted Government Auditing Standards, General Accepted Auditing Standards, and the International Standards for the Professional Practice of Internal Auditing.

Major Issues Identified:

A. Recruitment
   1. Non-compliance to policies and procedures: There is no process in place to deactivate committee member’s access in HR People Admin after the position/job process is completed. A total of 1,396 employees have access to the systems. (Impact: High)

B. Minimum Qualifications
   1. Non-compliance to policies and procedures: Teaching Instructors that did not meet the required minimum qualification were allowed to continue teaching after the denial of academic qualification. This equates to a 64% error rate. (Impact: High)
   2. Non-compliance to LACCD policies and procedures: The HRD review of academic minimum qualifications was not performed timely as evaluation was performed after the instructors teaching assignment. This equates to a 96% error rate. (Impact: High)
   3. Non-compliance with LACCD policies and procedures: The notification letters for the academic disqualification were improperly issued as the responsible employees were not notified. This equates to a 100% error rate. (Impact: High)
   4. Non-compliance with LACCD policies and procedures: The SAP system does not depict the required minimum qualification information. The error percentage range from 22.2% to 50%. (Impact: Considerable)

C. Personnel Files
   1. Non-compliance with LACCD policies and procedures: Employees’ files are not properly maintained as official personnel files are missing important documents. This equates to a 100% error rate. (Impact: High)
2. **Non-compliance with LACCD policies and procedures**: Employees’ tuberculosis examinations documents are not present and/or updated as required. The error rate ranges from 28% to 68%. *(Impact: High)*

3. **Non-compliance with LACCD policies and procedures**: The occurrence of employee performance evaluations are not consistently completed within the time frames expressed in LACCD policy and Collective Bargaining Agreements. This equates to an 81.25% error rate. *(Impact: Considerable)*

4. **Non-compliance with LACCD policies and procedures**: Personnel files were not provided for review. The files were either missing or misplaced as HRD cannot locate the files. This equates to a 16% error rate. *(Impact: Considerable)*

5. **Non-compliance with LACCD policies and procedures**: There were misfiled and/or mislabeled official personnel files as personnel documents belonging to employee were filed in another employee’s file and a personnel folder was labeled with two different employee names. This equates to a 5% error rate. *(Impact: Moderate)*

**D. Hiring**

1. **Non-compliance with LACCD policies and procedures**: The necessary documentation required for new hires were not available for review as each employee is missing one or more required documents. This equates to a 100% error rate. *(Impact: High)*

2. **Non-compliance with LACCD policies and procedures**: I-9 information as required by the Federal Government was not provided by HRD. The error percentage rate ranges from 20% to 86%. *(Impact: High)*

3. **Non-compliance with LACCD policies and procedures**: New hires started work prior to the approval of the Personnel Change Request (PCR). The error rate ranges from 33% to 90% *(Impact: High)*

4. **Non-compliance with LACCD policies and procedures**: The HRD is not adhering to the 3 day rule of verifying the I-9 information presented by the employee. The error percentage ranges from 25% to 33% *(Impact: High)*

**E. Health Benefits**

1. **Non-compliance with LACCD policies and procedures**: The required documents to establish dependent coverage was not provided for review. The error percentage range from 36% to 87%. *(Impact: High)*

**F. Live Scan report of Conviction**

1. **Non-compliance with LACCD policies and procedures**: IAD is unable to validate the completeness of the fingerprinting and FBI screening process as documentation was not provided to substantiate that new hires fingerprinting and FBI screening (if required) were processed, the result provided to LACCD, and the information presented in the reports were reviewed. The error percentage range from 85% to 100%. *(Impact: High)*
G. Differentials

1. **Non-compliance with LACCD policies and procedures**: Employees received differential pay for education, Microsoft, and bilingual differentials without the necessary required documents to substantiate entitlement payment. The error percentage range from 17% to 50%. *(Impact: Moderate)*

2. **Non-compliance with LACCD policies and procedures**: There is no evidence to substantiate that there is a review and approval process for differential. *(Impact: Moderate)*

H. Tuition Reimbursement

1. **Non-compliance with LACCD Policies and Procedures**: The receipt of application cannot be ascertained as the tuition reimbursement applications are not date stamped indicating date of receipt. This equates to a 25% error rate and $14,497.63 dollar error. *(Impact: Considerable)*

2. **Non-compliance with LACCD policies and procedures**: Evidence of approval was not provided for tuition reimbursements transactions. This equated to a 50% error rate and $25,372.64 dollar error. *(Impact: Considerable)*

3. **Non-compliance with LACCD policies and procedures**: Lack of segregation of duties as the pre-approver of the tuition reimbursement application is the same designated individual for final approver on payment. This equated to a 5.56% error rate. This equated to a $3,000 dollar error. *(Impact: Moderate)*

4. **Non-compliance with LACCD Policies and Procedures**: The necessary supporting documentation was not provided to ascertain the validity of tuition reimbursement payments. This equates to a 15.78% error rate and the dollar error is $10,517.00. *(Impact: Moderate)*

I. Information Technology Control

1. **Non-compliance with LACCD policies and procedures**: Employee is granted system access roles in an area that is not aligned with the employee’s job description and/or duties. This equates to a 7% error rate. *(Impact: Moderate)*

J. Evaluations

1. **Non-compliance with LACCD policies and procedures**: There is no evidence to substantiate that the probationary evaluation process is completed for new hires. This equates to a 100% error rate. *(Impact: High)*

K. Termination

1. **Non-compliance with LACCD policies and procedures**: The HRD does not maintain documentation validating that the employee exit process was completed as required. This equates to a 100% error rate. *(Impact: High)*

2. **Non-Compliance with LACCD Policies and procedures**: There were insufficient information to substantiate that the resignation process was followed. This equates to a 51% error rate. *(Impact: Considerable)*

3. **Non-compliance to LACCD Policies and Procedures**: Personnel files for employees who separated from the LACCD were not provided for review. This equates to a 12.5% error rate *(Impact: Moderate)*
L. Walkthrough

1. **Non-compliance with LACCD policies and procedures:** Lack of safeguarding of employee official personnel files. *(Impact: High)*

2. **Non-compliance with LACCD policies and procedures:** Access is granted to employees for review of their personnel files without proper validation of employee’s identification. *(Impact: High)*

3. **Non-compliance with LACCD policies and procedures:** There is no process in place to change password to the Department of Justice Live Scan system as the same password is used when there is a change in personnel. *(Impact: High)*

4. **Non-compliance with LACCD policies and procedures:** The ESC does not maintain a centralized check mailing address as the health benefits unit is receiving checks. *(Impact: High)*

5. **Non-compliance with LACCD policies and procedures:** There is no segregation of duties in regards to authorizing benefits for employees and dependents. *(Impact: High)*

6. **Non-compliance with Collective Bargaining Agreements:** HRD does not have a process in place to initiate the removal of adverse materials from the personnel files for academic employees. *(Impact: High)*

7. **Non-compliance with LACCD policies and procedures:** The LACCD does not have a process in place to ensure that employees receiving certificate differentials have active licenses on file. *(Impact: Considerable)*

8. **Non-compliance with LACCD policies and procedures:** The employee started work prior to the completion of the required documentation by the ESC HR as noted by the date stamp on the required forms. *(Impact: Considerable)*

9. **Non-compliance with best practices and policies and procedures:** There are no procedures in place associated with the frequency of accessing the fingerprinting database to validate the delivery of reports furnished by the Department of Justice. *(Impact: Moderate)*

10. **Non-compliance with best practices and policies and procedures:** The LACCD does not have a new hire orientation program for Classified and Unclassified employees. *(Impact: Moderate)*

M. Policies and Procedures

1. **Non-compliance with LACCD policies and procedures:** Inadequate written policies and procedures associated with required documentation to be maintained in the employees’ personnel files. *(Impact: Moderate)*
Management Action Plans and Completion Dates:

A. **Recruitment**

   Recruitment software/service provider transition is scheduled for July 2016. The new recruitment portal platform limits applicant information access to specific recruitments and closes reviewer access when the specific recruitment effort closes. Active user access does not allow for system wide access and, although a reviewer may be able to log-in to the system, what a reviewer can see is controlled. (Implementation Date: July 11, 2016)

B. **Minimum Qualification**

1. Policy revision, including appropriate consequence for policy violation, is needed to ensure colleges provide timely notification of new hire/assignment and submission of documents for clearance (academic or otherwise) to HR. (Implementation Date: July 11, 2016)

2. Policy to be created to specify timelines for termination of assignments upon denial of academic qualifications (Implementation Date: September 25, 2016)

3. Development of training for point of hire locations (colleges) to provide understanding of minimum qualifications requirements and action required to respond to denial of academic qualifications. (Implementation Date: January 31, 2017)

4. Additional staff for audit of hires to ensure HR denial of academic qualifications leads to timely termination of academic assignment (Implementation Date: January 31, 2017)

5. Appropriate consequence and enforcement for failure to comply with denial of academic qualifications. (Implementation Date: January 31, 2017)

6. Current Denial notification form C-264-5 (6/10/09) forwarded to [disqualified] employee, DAS Equivalency Coordinator, department chair, college personnel office, and college SPOC. Disqualification and reason entered on SAP screen 9022. Retrain evaluation staff to enter disqualification and reasons on screen 9022 for all candidates disqualified commencing Fall 2016 semester. (Implementation Date: September 25, 2016)

7. Update form C-264-5 to include supervising vice president (Implementation Date: September 25, 2016)

8. Priority of new adjunct clearance will be reassessed so that clearance process is completed and result communicated during first employment term, to avoid reassignment during subsequent term; Appropriate divisional administrator will be added in the list of addressees on denial notification form. (Implementation Date: December 31, 2016)

C. **Personnel Files**

1. Create checklist of the Official Personnel File (OPF) documents- (Implementation Date: July 28, 2016)

2. Provide checklist to employee at the time of their appointment to view the OPF. (Implementation Date: July 28, 2016)

3. Re-issue desk procedure for Laserfiche to HR staff responsible for imaging and indexing records. (Implementation Date: September 25, 2016)
4. Continue transition of paper files to electronic. (Implementation Date- July 28, 2016 and forward)

5. Will Confirm with IT that Laserfiche system is backed up on a weekly basis and add Vice Presidents to the distribution list of monthly missing NH documents report (Implementation Date: January 31, 2017)

6. Upload electronic files of classified applications from the Personnel Commission into Laserfiche. (Implementation Date: December 31, 2017)

7. Create automated notification system for expiring TB results (Implementation Date: December 31, 2017)

8. Develop a calendar for the audit of various HR records (Implementation Date: January 31, 2017)


10. Improve usability of forms by creating fillable forms with electronic signatures and automated approval process/workflow. (Implementation Date: July 1, 2016)

11. Implement SAP Performance Management module to assist with tracking and monitoring of evaluation completion rates. (Implementation Date: July 1, 2016)

12. Refine existing EASY (evaluation alert system) reports for college administration; completion rates by employee groups and by manager. (Implementation Date: July 1, 2016)

13. Change evaluation date for all classified to fiscal year with alerts initiated in May (Implementation Date: July 1, 2016)

14. Develop resource materials and tailored trainings on performance management for managers and supervisors, in conjunction with the unions and the Personnel Commission. (Implementation Date: January 1, 2017)

15. Increase accountability with managers and supervisors by adding a staff evaluation completion/compliance rating to their respective evaluation forms; SEIU 721, Teamsters, Classified Managers, VPs, and Sr. Executives. (July 1, 2016 for unrepresented groups) and for represented groups, issue will be addressed with the various unions during the next cycle of negotiations.

16. Add Student Learning Outcome (SLO) and Service Area Outcome (SAO) language to dean job description, job duty statement, and evaluation form to include measures as set forth in Accrediting Commission for Community and Junior Colleges (ACCCJC) Standard III(A.)(6). (Implementation Date: July 1, 2016)

17. Memorandum of Understanding (MOU) between District and union drafted to address evaluation form; job description and job duty statement will be addressed with the union in the upcoming months. (Implementation Date: July 1, 2016)

18. Add evaluation review period to faculty evaluation forms and develop recommended practice for faculty evaluation schedule. (Implementation Date: July 1, 2016)

19. Augment HR staffing by adding a Senior Personnel Assistant to manage Performance Management Module and/or develop access database to track and monitor completion of evaluations. (Implementation Date: July 1, 2016)
20. The District’s current TB plan may be amended to comply with Risk Assessments as outlined in newly enacted Senate Bill 1038 (Allen), which permits and authorizes Risk Assessments for TB testing protocol. Specific section to be amended is II.A. 1 (i), and (iv) that outlines other methods as approved. The current plan does not outline the notification procedures utilized by the District. The current plan should be amended to provide an outline of notification procedures, such as follows: “The District will provide up to three notices prior to testing to all employees that may include the following methods: 1) email notice, generally sent from the District to all employee email address as on file with the District, at least 60 days prior to the opening of the TB testing cycle; 2) follow up email, and letter mass mailed, to all District employee at least 30 days before the opening of TB testing cycle; 3) email, and letter from the College and District, mass mailed to all District employees at least 5 days before testing. NOTE: Electronic notices should include instructions on how to obtain and complete an authorized TB Risk Assessment form.

Supervisory employees shall so schedule their subordinate employees work schedules to accommodate the TB testing cycle, including an opportunity to complete the TB Risk Assessment form prior to onsite medical services at respective colleges or at the Educational Services Center (ESC). Following initial testing protocols and timelines, thereafter, the District shall conduct follow up with all employees who failed to comply or participate with the first round of testing protocol. The District will send out an email and letter, “Notice to Comply with State Required TB Testing”, or equivalent notice title, to all employees who did not participate, and fix a date certain within 30 days for the employee to complete the testing cycle; thereafter the District and College will send out an email and letter, “Final Notice to Comply with State Required TB Testing”, or equivalent notice title, for those employees that did not participate, and fix a date certain within five days for employees to resolve delinquent TB test status.” “Supervisory employees shall so schedule subordinate employee work schedules to accommodate the mandatory state required TB testing protocol. Employees who fail to participate in the first round of testing, and fail to participate in the second round of testing shall be subject to disciplinary action up to and including termination in accordance with collective bargaining agreements and District policy. Employees who claim religious exemption pursuant to Education Code Section 87408.6(g) or compliance by way of an approved test method are considered in full compliance with the TB testing program, and are not subject to disciplinary action unless they fail to provide the requested documentation or required affidavit.” (Implementation Date: December 31, 2017)

D. Hiring

1. As documents required in OPF varies by assignment type, HR will develop required OPF documents checklist for each type of service (academic; classified; unclassified) (Implementation Date: August 25, 2016)

2. Policy revision, including appropriate consequence for policy violation, is needed to ensure colleges collect and verify I-9 documentation timely and provide verified documents to HR. (Implementation Date: August 25, 2016)

3. I-9, Medical, Disciplinary files will continue to be maintained separately. Instruction materials for employee’s detailing information to be maintained in the OPF and proper procedures for accessing/reviewing OPF. Training component for employees responsible for maintenance of OPFs to include materials retention policies. (Implementation Date: August 25, 2016)
4. HRD will revise documents handling policy for non-HR retained documents to include direct delivery of documents to Retirement, Benefits and Payroll Units. (Implementation Date: August 25, 2016)

5. EER created “Guidelines for Retaining Counseling and Disciplinary Memos” outlining the requirements for placing, viewing, and removing materials in employee’s personnel files per the various collective bargaining agreements, Education Codes, Board Rules, and Personnel Commission Rules. (Implementation Date: September 2015)

6. Development of training for point of hire locations (colleges) to provide understanding of I-9 requirements. (Implementation Date: January 31, 2017)

7. HR will explore the feasibility of enrollment in the Federal E-Verify system. (Implementation Date: January 31, 2017)

8. Additional staff for audit of hires to ensure receipt of required I-9 documents. (Implementation Date: January 31, 2017)

9. Appropriate consequence and enforcement for failure to comply. (Implementation Date: August 25, 2016)

10. Policy revision, including appropriate consequence for policy violation, is needed to ensure colleges provide timely notification of new hire/assignment and submission of documents for clearance (academic or otherwise) to HR. (Implementation Date: August 25, 2016)

11. Development of training for point of hire locations (colleges) to provide understanding of minimum qualifications requirements prior to hire/assignment. (Implementation Date: January 31, 2017)

12. Additional staff for audit of hires to ensure HR received notification of and completes minimum qualifications clearance for all assignment employees. (Implementation Date: January 31, 2017)

13. Policy revision, including appropriate consequence for policy violation, is needed to ensure colleges collect and verify I-9 documentation within 3-day time requirement and provide verified documents to HR. (Implementation Date: August 25, 2016)

E. Health Benefit

1. Develop and implement a check-off list for Dependent Eligibility Verification, consistent with CalPERS requirements. (Implementation Date: July 18, 2016)

2. Implement file review and self-audit of all benefit files to verify or obtain Dependent Eligibility Verification documents (Implementation Date: July 18, 2016 and ongoing process)

3. Use of a check-off sheet by HBU staff member, reviewing up to 5 files per week. (Implementation Date: July 18, 2016)

4. Check-off sheet to be reviewed and signed off by HBU Supervisor, following HBU staff file reviews. (Implementation Date: July 18, 2016)

F. Live Scan Report of Conviction

1. Existing HR Guide P-111 outlines the live scan requirements for employees and the fingerprinting process. (Implementation Date: August 23, 2006)
2. EER will continue to save live scan reports in the shared drive. (Implementation Date: June 2015)

3. The Report of Convictions (ROC) form was updated to include a review and approval section for EER and the Vice Chancellor of Human Resources. (Implementation Date: July 11, 2015)

4. After a final determination is made regarding the live scan results, the results and affiliated ROC are saved in a shared drive under “Cleared Live Scan Results” or “Not Cleared Live Scan Results”. (Implementation Date: May 2016)

5. If there are no live scan results for a particular employee, the employee will be re-fingerprinted. (Implementation Date: June 2015)

G. Differential

1. Expand the existing differential procedure to include specific documents required by HRD to process differentials. For bilingual certification, will require coordination with Personnel Commission. (Implementation Date: October 25, 2016)

2. Verify with IT that notifications are currently being sent to employees whose Microsoft Certifications are about to expire. (Implementation Date: October 25, 2016)

3. Confirm with IT that notifications are currently being sent to employees whose Microsoft Certifications are about to expire. (Implementation Date: October 25, 2016)

4. Current office procedures do not require any type of documentation when a Microsoft Certification differential is required. As an internal check and balance, Human Resources will create a form that must be completed by the employee to qualify for the differential. Although a supervisor’s approval is not required, HR’s review of an internal checklist ensures the differential request was reviewed prior to processing. (Implementation Date: October 25, 2016)

5. Implement procedure to monitor when an employee moves to new position to determine if s/he continues to qualify for differential. (Implementation Date: October 25, 2016)

6. Additional staffing to monitor expanded procedure(s) and document collection. (Implementation Date: October 25, 2016)

7. Training of new and existing staff (ESC and College) of expanded procedures concerning differential processing. (Implementation Date: October 25, 2016)

8. IT programming for developing and/or implementing electronic documents for differential requests. (Implementation Date: October 25, 2016)

9. Research with IT the possibility of electronically formalizing requests for differentials including amending any current forms. (Implementation Date: October 25, 2016)

10. Human Resource Staff has inquired with IT the possibility of electronically formatting the differential request process. The District’s IT Department has confirmed that the current SAP system has the capability of electronically formatting the differential process, but it will require development of a system and the budget to implement the new system. Due to budget constraints, electronically formatting the differential request process may not be feasible.
11. The District’s IT Department has also confirmed that the current SAP system notifies employees when his or her Microsoft Certification is about to expire. The timeframes for the notification are being reviewed and may be adjusted if necessary.

H. Tuition Reimbursement
   1. Assign additional staff to process applications and calculate payments. (Implementation Date: November 30, 2015)
   2. Develop checklist for assigned HR staff that process applications and prepare authorizations for payment. (July 25, 2016)

I. Information Technology Control
   1. The access roles for the employee identified in IAD’s sample have been corrected. (Implementation Date: August 31, 2016)
   2. A corrective action plan for overarching technology controls is currently being implemented by the Information Technology Unit at the ESC and they are scheduled to begin validating the updates. (Implementation Date: August 31, 2016)

J. Evaluation
   1. Improve usability of evaluation forms by creating fillable forms with electronic signatures and automated approval process/workflow. (Implementation Date: January 1, 2017)
   2. Implement SAP Performance Management module to assist with tracking and monitoring of evaluation completion rates. (Implementation Date: January 1, 2017)
   3. Refine existing EASY (evaluation alert system) reports for college administration; completion rates by employee groups and by manager. (Implementation Date: January 1, 2017)
   4. Change evaluation date for all classified to fiscal year with alerts initiated in May. (Implementation Date: January 1, 2017)
   5. Develop resource materials and tailored trainings on performance management for managers and supervisors, in conjunction with the unions and the Personnel Commission. (Implementation Date: January 1, 2017)
   6. Increase accountability with managers and supervisors by adding a staff evaluation completion/compliance rating to their respective evaluation forms; SEIU 721, Teamsters, Classified Managers, VPs, and Sr. Executives. (Implementation Date: January 1, 2017)
   7. Add Student Learning Outcome (SLO) and Service Area Outcome (SAO) language to dean job description, job duty statement, and evaluation form to include measures as set forth in Accrediting Commission for Community and Junior Colleges (ACCCJC) Standard III(A.)(6). (Implementation Date: January 1, 2017)
   8. Add evaluation review period to faculty evaluation forms. (Implementation Date: January 1, 2017)
   9. Develop recommended practice for faculty evaluation schedule. (Implementation Date:
January 1, 2017)

K. Termination

1. Update HR Guide P-310 Resignation and LACCD Form No. HR P-310 Academic/Classified Service Resignation. (Implementation Date: October 25, 2016)

2. Update HR Guide P-311 Employee Exit Processing and develop LACCD Form No. HR P-311. (Implementation Date: October 25, 2016)

3. Train all existing and new Staff (ESC and College) on expanded procedures concerning auditing resignation documents. (Implementation Date: January 1, 2017)

4. Develop and audit monthly ‘Employee Resignation’ report and to ensure colleges have submitted resignation documents to HR. (Implementation Date: January 1, 2017)

5. Develop schedule and identify existing staff to pull and store inactive paper files. (Implementation Date: October 25, 2016)

6. Schedule meeting with IT to discuss expansion of electronic imaging and indexing of HR records. (Implementation Date: October 25, 2016)

L. Walkthrough

1. The District has strengthen its control by the implementation of the following processes:
   a. The File rooms is locked at all times
   b. The keys to the file room must be checked out from the EER or HRD Assistant Director
   c. Memo issued to employees stating these new controls:
   d. A party requesting to view an OPF stored in EER must make the request to EER. Additionally, employees who were hired on or after 2010 may have an electronic OPF as well, which may be accessed by contacting HR Operations. (Implementation Date: June 30, 2016)

2. An employee who wishes to view his/her OPF in person must make an appointment at least 48 hours in advance and must provide Full name, Classification, Employee Number/Social Security Number and agree to provide a valid picture ID at the time of viewing. Prior to allowing the employee to view the OPF, EER staff will request to see the employee’s picture ID to verify identity. The employee will view the contents of his OPF alongside EER staff to ensure the contents of the OPF are preserved. Upon request from the employee, EER staff will provide copies of materials in the OPF. After the employee views the OPF, EER staff will return the file to the storage place. (Implemented Date: June 30, 2016)

3. Review log created (Implemented Date: June 30, 2016)

4. The Assistant Director, Employer-Employee Relations has ultimate responsibility. EER staff has accountability for regular implementation of workflow processes. (Implemented Date: June 13, 2016)
5. The Assistant Director of EER has been designated the Custodian of Records (COR) for the Los Angeles Community College District. (Implementation Date: June 13, 2016)

6. The COR is responsible for the security, storage, dissemination, and destruction of the criminal records and serves as the primary contact for any DOJ related issues. (Implemented Date: June 13, 2016)

7. When appropriate, the COR will grant access to the DOJ database to the appropriate EER staff by having them review and sign the California DOJ Employee Statement, which is attached to this memorandum. (Implemented Date: June 13, 2016)

8. The COR is the only person who knows the login information (i.e., the username and password) to the DOJ database. (Implementation Date: June 13, 2016)

9. As needed, the COR will log into the DOJ database for any and all EER staff who has been granted access. (Implementation Date: June 13, 2016)

10. In the event that there is a change of any EER staff, including the COR, who has been granted access above, the Vice Chancellor for Human Resources or his designee will become the temporary COR and will change or reset the login information for continued use of the DOJ Database for Live (Implemented Date: June 13, 2016)

11. Modify HBU letter to reflect all payments shall be mailed to LACCD Accounting Department, 7th Floor, 770 Wilshire Blvd, Los Angeles, CA 90017 (Implemented Date: September 1, 2016)

12. Checks received in HBU will be transferred to Accounting on a daily basis. (Implementation Date: September 1, 2016)

13. Develop and implement a check-off list for Cobra, AB 528 participants, and retirees with less than 100% retirement benefit vesting; Share the monthly list with Accounting for receipt of checks; request copies of those checks for verification of benefits; (Implemented September 1, 2016)

14. Retain check off list for up to three years; destroy copies of checks through document destruction bin; (Implementation September 1, 2016)

15. Applications for benefits received in HBU will be reviewed by the HBU Supervisor, and prior SAP verified, using the check-off worksheet;

16. HBU Supervisor will then assign benefits entry to an HBU staff member; HBU staff will enter the benefits, and confirm using the check-off worksheet. All documents, benefits application and entry check-off worksheet will filed in the employee benefits file (Implementation Date: August 1, 2016)

17. EER created “Guidelines for Retaining Counseling and Disciplinary Memos” outlining the requirements for removing adverse materials in employee’s personnel files per the collective bargaining agreements. The Teamsters Local 911 and AFT 1521 cba’s require the District to remove adverse materials from the personnel after four (4) years. A MOUs between the District and Teamsters and the District and 1521 regarding adverse material has be generated to indicate that these two unions members will have to notify HR to remove the adverse material rather than HRD removing the adverse material after four years. (Implementation Date: June 30, 2016)
13. HRD has developed SAP automated notice of expiring license or certificate for academic employees. Failure to comply results in interruption of differential payment. Testing and implementation contingent on IT scheduling. (Implementation Date: January 31, 2017)

14. Create checklist of the OPF documents Draft Personnel File Checklist (Implemented Date: July 28, 2016)

15. The Colleges and any associated District Stakeholders to review current processes and procedures/documents and determine which items need to be updated or augmented, including possibly developing a quarterly District Wide orientation. Where needed, the resources materials listed on the employees new hire page and new employee orientation data more will be made more readily available and if needed additional information will be added to possibly include a multimedia presentation. (Implementation Date: February 2017)

16. HRD will update the Unclassified/Student Employee Handbook and will provide an updated draft Unclassified/Student Employee Handbook no later than October 27, 2016 meeting to the HR Council for initial review and comment. HR will also identify additional resources materials for the website and post them no later than October 25, 2016. (Implementation Date: October 27, 2016)

17. HR will need assistance from the Central Financial Aid Unit and the Personnel Commission in updating and identifying material for the website. (Implementation Date: February 2017)

**M. Policies and Procedures**

1. Human Resource Operations in conjunction with Employer Employee Relations HR will develop: Required OPF document checklist. (Implementation Date: July 2, 2016)

2. First review by HR Council scheduled for 07/28/2016 Implementation immediately upon HR Council approval

3. I-9, Medical, Disciplinary files will continue to be maintained separately. Instruction materials for employee’s detailing information to be maintained in the OPF and proper procedures for accessing/reviewing OPF. (Implementation Date: August 25, 2016)

4. Training component for employees responsible for maintenance of OPFs to include materials retention policies. (Implementation Date: August 25, 2016)

5. Develop a calendar for the audit of various HR records. (Implementation Date: January 31, 2017)

6. HR will revise documents handling policy for non-HR retained documents to include direct delivery of documents to Retirement, Benefits and Payroll Units (Implementation Date: August 25, 2016)

7. EER created “Guidelines for Retaining Counseling and Disciplinary Memos” outlining the requirements for placing, viewing, and removing materials in employee’s personnel files per the various collective bargaining agreements, Education Codes, Board Rules, and Personnel Commission Rules. (Implementation Date: September 2015)
Signatures:

[Signature]

Albert J. Roman, Vice Chancellor for Human Resources

Date: 10/25/16

cc  Budget and Finance Committee; LACCD Board of Trustees
    Dr. Francisco Rodriguez, Chancellor
    Dr. Kevin Jeter, Interim General Counsel

Audit Team:
Arnold Blanshard, CPA/CRMA/MBA, Director of Internal Audit
Keyna Crenshaw, MBA Senior Auditor
Maria Carolina Carranza, MBA/CIA/CFE, Auditor
LaSchanda Johnson, MBA, Auditor
Tiffany Britt, CFE, MBA, Auditor
Chris Muller, Auditor
Paige Jean, MSA Assistant Auditor