

**LOS ANGELES COMMUNITY COLLEGE DISTRICT
BOARD OF TRUSTEES
MINUTES – BUDGET & FINANCE COMMITTEE
Educational Services Center
Board Room – First Floor
770 Wilshire Boulevard
Los Angeles, CA 90017
Wednesday, May 24, 2017
3:00 p.m. – 4:30 p.m.**

Committee: Ernest H. Moreno, Chair; Mike Fong, Vice Chair; Andra Hoffman, Member.

Trustee Moreno called the meeting to order at 3:05 p.m.

PUBLIC SPEAKERS

None.

Human Resources Internal Audit Report Review (Continued)

A document entitled "Presentation to the Budget and Finance Committee, The Human Resources Division, April 12, 2017" was distributed.

Trustee Moreno indicated that this topic would be presented until all the corrective actions were completed. He deferred to Dr. Albert J. Roman, Vice Chancellor for Human Resources.

Dr. Roman continued to discuss the document from where he left off from the last Committee meeting with respect to the corrective action plans for the following:

- Finding #4 Lack of documentation validating completeness of probationary evaluations.
- Finding # 5 Lack of documentation validating that the employee exit process was completed.
- Finding # 6 Lack of documentation validating fingerprinting and FBI screenings for employees.
- Finding # 7 Academic minimum qualifications not performed timely.
- Finding # 8 New Hires starting work prior to approval of Personnel Change Request (PCR).

With respect to the Los Angeles Community College (LACCD) Personnel Guide, Trustee Moreno requested a copy of the "conviction standards".

Dr. Roman responded that he would provide the information to the Committee.

Mr. David Serrano, Director, Risk Management, continued to discuss the corrective action plan for:

- Finding # 9 The required documents to establish dependent Coverage was not provided for review.

A question and answer session was conducted regarding the presentation.

Dr. Roman continued to discuss the corrective action plans for the following findings:

- Finding #10 1-9 Information was not provided.
- Finding # 11 Employees' tuberculosis examinations not present and/or updated as

- required.
- Finding # 12 Teaching after denial of minimum qualification.
- Finding # 13 1-9 Information is not verified timely.
- Finding # 14 Committee access in Human Resources *PeopleAdmin* not deactivated after position/job is completed.
- Finding # 15 Lack of safeguarding employees' official personnel files.
- Finding # 16 Access granted to employees for review of their personnel files without proper validation of employee's identification.
- Finding # 17 Passwords to the Department of Justice Live Scan system not changed with the change in personnel.

Mr. Serrano continued to discuss the corrective action plans for the following findings:

- Finding # 18 The ESC does not maintain a centralized check mailing address as the health benefits unit receives checks.
- Finding # 19 There is no segregation of duties in regards to authorizing benefits for employees and departments.

Dr. Roman discussed the final Finding # 20 Human Resources Division does not have a process in place to initiate the removal of adverse materials from the personnel files for academic employees.

Mr. Arnold Blanshard, Director, Internal Audit Department, indicated that there were a total of 38 Human Resources findings. Human Resources is currently working on the 20 high-level findings. He indicated that once Human Resources has completed the corrective action plans his team will review and validate that they have addressed all findings and report back to the Committee.

Trustee Moreno expressed his concern that the Human Resources Audit report was prepared back in 2016 and was released several months later to the Committee. He stated that in the future staff must ensure that this oversight never occurs again.

Trustee Moreno discussed the benefits of having the Internal Audit Department function separate from the administration. He recommended that this option be considered in the future.

A question and answer session was conducted with respect to the presentation.

Update on SIS/Cyber

A document entitled "SIS Modernization Project, Project Assessment #12, May 24, 2017" was distributed.

Dr. Ryan M. Corner, Vice Chancellor, Educational Programs and Institutional Effectiveness, discussed the Student Information System (SIS) registration issues encountered on May 8th through May 18, 2017 and the actions taken by the LACCD, Ciber, Inc., and Oracle to fix the problem. He introduced Mr. Nate Holly, Vice President, Ciber, Inc., and Mr. Steven Kish, Project Monitor, SIS.

Mr. Kish discussed the issues with the system that resulted in poor initial performance of the SIS and the actions taken to fix it.

A question and answer session was conducted with respect to the problems with the system regarding Oracle's role and the students' hardships while registering for classes.

Enrollment Update

A document entitled "Enrollment Update, Budget & Finance Committee, May 24, 2017" was distributed.

Dr. Cornner gave a summary update of three scenarios for Fall 2016/2017 enrollment data. He continued to discuss the "*Summer 2017: Credit Enrollment Comparison.*"

A question and answer session was conducted with respect to the presentation.

Third Quarter Financial Report/Year End Balance Projection

A document entitled "Los Angeles Community College District, 2016-17 Third Quarter Financial Status Report, Budget & Finance Committee May 24, 2017" was distributed.

Ms. Deborah La Teer, Director of Budget & Management Analysis, discussed the document with respect to the Projected Ending Balance, Projected Reserves, the 2016-17 Funded Base, and the 2016-17 Budget Year Target.

A question and answer session was conducted regarding the presentation.

2017-2018 Tentative Budget

This item was not discussed, due to time constraints.

FUTURE DISCUSSION/AGENDA ITEMS

None.

FUTURE BUDGET & FINANCE COMMITTEE MEETING DATES

- June 21, 2017

NEW BUSINESS

None.

SUMMARY – NEXT MEETING

None.

ADJOURNMENT

There being no objection, the meeting was adjourned at 4:37 p.m.