
AUDIT AND BUDGET COMMITTEE AGENDA

**Coast Community College District
Audit and Budget Committee
Tuesday, June 6, 2023 at 2:00 p.m.**

Board Office Conference Room

- 1. Call to Order**
- 2. Roll Call**
- 3. Opportunity for Public Comment**

Members of the public have the opportunity to address the Audit and Budget Committee on any item that has been described in this notice. Persons wishing to make comments will be recognized at this point in the meeting. Individuals will have up to five minutes per agenda item, and there is a 20-minutes total limit per item. These time limitations may be extended by the Committee.

It is the intention of the Coast Community College District to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or a participant at this meeting, you will need special assistance beyond what is normally provided, the Coast Community College District will attempt to accommodate you in every reasonable manner. Please contact the Secretary of the Board to inform us of your particular needs so that appropriate accommodations may be made.

- 4. Approval of Minutes: Meeting of February 7, 2023 (Attachment #1)**
- 5. Internal Audit Quarterly Report (Attachment #2)**
- 6. External Auditor's Report - Crowe LLP**
- 7. Tentative Budget FY 2023-2024**
- 8. State Budget Update**
- 9. Future Agenda Items**
- 10. Next Meeting Date**
- 11. Adjournment**

The Committee may take action on any item listed on this agenda. Under the Brown Act, the Public has the right to receive copies of any non-exempt public documents relating to an agenda item that are distributed to the committee members. Please contact the Office of the Board of Trustees prior to the meeting to facilitate the distribution of these documents.

AUDIT AND BUDGET COMMITTEE MINUTES

**Coast Community College District
Audit and Budget Committee
February 7, 2023
Zoom Meeting**

1. Call to Order

The meeting was called to order at 2:03 p.m.

2. Roll Call

Trustees Present: Trustee Jim Moreno and Trustee Mary Hornbuckle
Trustees Absent: None

In Attendance – Dr. Whitney Yamamura, Chancellor; Marlene Drinkwine, Vice Chancellor of Finance and Administrative Services; Dr. Marco Baeza, Vice Chancellor of Human Resources; Dr. Andreea Serban, Vice Chancellor of Educational Services and Technology; Tim McGrath, GWC President; Christine Nguyen, CCC Vice President of Administrative Services; Paul Wisner, GWC Vice President of Administrative Services; Dr. Rich Pagel, OCC Vice President Administrative Services; Julie Clevenger, Director of Chancellor Office Operations; Erik Fallis, Board Secretary; Daniela Thompson, Executive Director Fiscal Affairs; Tanya Tran, District Budget Manager; Rachel Kubik, OCC Director of Business Services; Maira De La Torre, Internal Audit Specialist; Rachel Snell, Director Internal Audit Services; Rupa Saran, Chief Information Technology Officer; Debbie Franklin, District Fiscal Affairs; Derek Bui, District Director of Business Services; Casey Elliott, Townsend Public Affairs; Mary Grady Administrative Assistant, Board of Trustees

3. Opportunity for Public Comment

There were no requests to address the Audit and Budget Committee.

4. Authorization under Brown Act, Government Code § 54953(e), for Conducting Meetings Remotely Due to the COVID-19 Emergency Because Meeting in Person Would Present Imminent Risks to the Health or Safety of Attendees

On a motion by Trustee Hornbuckle, seconded by Trustee Moreno, the Committee voted to authorize the continuance of remote meetings due to the COVID-19 emergency.

Motion carried with the following vote:

Aye: Trustee Hornbuckle and Trustee Moreno
No: None
Absent: None

5. Selection of Chair and Vice Chair of the Audit and Budget Committee

On a motion by Trustee Hornbuckle, seconded by Trustee Moreno, the Committee voted to appoint Trustee Moreno as Chair and Trustee Hornbuckle as Vice Chair for 2023.

Motion carried with the following vote:

Aye: Trustee Hornbuckle and Trustee Moreno
No: None
Absent: None

6. Approval of Minutes: Meeting of November 22, 2022

On a motion by Trustee Hornbuckle, seconded by Trustee Moreno, the Committee voted to approve the minutes of the meeting of November 22, 2022.

Motion carried with the following vote:

Aye: Trustee Hornbuckle and Trustee Moreno
No: None
Absent: None

7. Internal Audit Quarterly Update

District Director of Internal Audit Rachell Snell provided the Internal Audit update.

Two completed memo reports were presented: Environmental Health & Safety and Insurance Claims. Other projects in progress included the Risk Services business process improvement project for workers compensation and contracts, self-reported follow up on prior audit recommendations for the Golden West Criminal Justice Training Academy and Coastline faculty assignment/contract education, districtwide travel processes, faculty load and compensation, Title IX, internal audit policies and procedures, external audit liaison, and records management.

Chancellor Yamamura provided an update on the implementation of a gift policy. Following input from General Counsel, the policy had been returned to the DCC Policy and Procedure Subcommittee for review and proposed revisions. It was expected to come to the Board for first reading in April.

A full report of Internal Audit projects would be presented to the Board of Trustees at the March 15, 2023 Board meeting, in addition to annual reports and reports of good standing for the Foundations and Enterprise Corporation.

8. State Budget Issues

Casey Elliott of Townsend Public Affairs provided the Committee with an update on current State Budget issues.

January 10, 2023 the Governor released the budget proposal with a projected \$22.5 billion deficit. State revenue and expenditures were projected to be flat, and the deficit was largely based on unrealized revenue projections. Items proposed to bridge the deficit gap included \$7.5 billion in funding delays, \$5.7 billion in reductions, deferred payments for various programs, and \$6 billion in funding shifts from reserves. The budget projected \$778 million in funding for the community college system. It contained \$200 million in one-time spending to address enrollment and retention, which would be offset by a \$200 million reduction in deferred maintenance spending.

Vice Chancellor Drinkwine noted proposed repurposing to the District's certified plan for scheduled maintenance and instructional equipment reflecting a \$5 million dollar impact. Eligibility for the use of Measure M Endowment funds for other project allocations would be explored. The May budget revise and June final budget would require significant revisions due to taxpayer filing extensions given to residents effected by the January state and federal emergency declarations.

9. District Budget Updates

Vice Chancellor Marlene Drinkwine shared an overview of the upcoming Town Hall Budget presentations.

Town Hall meetings were scheduled to take place at each of the colleges in February. Discussion topics included the state budget, student centered funding formula, enrollment, budget projections and strategies.

Legislative analysts predicted the use of reserves and rainy-day funds through FY 25-26. The differential between projected state COLA and the SCFF revenue change was reviewed relative to the funding floor and rate of augmentation. Enrollment projections reflected positive trends approximately 7.5% higher than spring of 2022, however growth would not be funded while the District was in hold harmless funding floor. Multi-year projections predicted deficit spending to begin in 2025-26 and increase in 2026-27 without sufficient reserves to absorb it. The 16.67% reserve requirement reflected two months of operating expenses from the unrestricted general fund and was based on the GFOA recommendation. Coast District reserve levels were in the bottom quartile and below the median of other California Community Colleges.

Developing concerns included expenditure growth outpacing revenue growth, deficit spending decreasing the reserve, the ability to withstand future economic downturns and fiscal insolvency. Strategies to mitigate the impact included enrollment management plans, cost containment and expense reductions.

10. Next Meeting Date

The next meeting was scheduled for Tuesday, June 6, 2023 at 2:00 p.m.

10. Future Agenda Items

Internal Audit Quarterly Update
State Budget Update
District Budget Updates

11. Adjourn

The meeting was adjourned at 3:07 p.m.

Secretary of the Board
Erik Fallis

Audit and Budget Committee Meeting: 06/06/23

Projects—Completed

- **CCC-Part Time Faculty Self-Reported Follow Up Status on Recommendations—** CCC scheduled full-time faculty members to work an inordinate number of hours, effectively reducing workload and teaching opportunities for several part-time faculty members. Self-Reported follow-up indicates management. (See Attached)
- **GWC Criminal Justice Training Center Self-Reported Follow Up Status on Recommendations—**GWC did not always implement prior audit recommendations related to improving operations; however, the self-reported follow up indicates that under the direction of new management, key recommendations were implemented. (See Attached)
- **Review BP/AP 7400 Travel Memo Report—**Recommendations made to review the policy and procedure to ensure consistency with District practices. (See attached)
- **Strategic Audit Plan FY 2023-2024:** Internal Audit FY 2022-23 accomplishments and FY 2023-24 work plan. (See attached)
- **Title IX:** Review of processes with recommendations geared toward updating the policy and procedure once new regulations from the DOE are released. (See Attached)

Other Projects—In Progress

- **Faculty Load and Compensation:** Process review
- **AP 3600 (External Auditor/Independent Contractor):** Final report related to the ASBs will be presented at the June 21st Board Meeting.
- External Audit Liaison: Ongoing
- Record Management—Internal Audit files Ongoing

Other Services

- **Institute of Internal Controls: Featured Member** (See Attached)
- Retirement Board, Vice Chair
- DCC—BP/AP Subcommittee (Advisory)
- ALGA Mentor

**Self-Reported Status of Recommendations Follow Up Report
Coastline Community College-Contract Education and Faculty Workload**

IMPLEMENTATION STATUS GUIDELINES

Leadership from the Coastline Community College (CCC) used the following Status of Strategies and Current Status to complete its self-assessment of the implementation status of recommendations associated with prior audit work:

Status of Strategies: Describe the strategy or strategies that will be used to implement the recommendation. Provide the current status and a written description of what was done to implement the recommendation. If the recommendation is not fully implemented, please provide a rationale as to why, the current status, a date when it will be implemented, and the name of the party responsible for implementation.

Current Status: Designate whether the current status of the recommendation is

Fully Implemented: Successful development & use of a process, system, or policy to implement a prior recommendation.

Substantially Implemented: Successful development but inconsistent use of a process, system, or policy to implement a prior recommendation.

Incomplete/Ongoing: Ongoing development of a process, system, or policy to address a prior recommendation.

Not Implemented: Lack of a formal process, system, or policy to address a prior recommendation.

Background

In 2017, the Chancellor requested Internal Audit perform a review of Coastline College's (CCC) course assignments for contract education and military education programs. It was stated that during Fiscal Year 2015-16 and Fiscal Year 2016-17, CCC management scheduled full-time faculty members to work an inordinate number of hours, effectively reducing workload and teaching opportunities for several part-time faculty members.

Internal Audit conducted a self-reported follow up to determine the extent to which current management implemented the recommendations. This review was completed in February 2023, and conclusions are noted below.

Conclusion

According to CCC, management implemented several process changes to address the recommendations noted in the original review. Internal Audit met with management, reviewed the self-reported status updates as provided, and determined that CCC made efforts to correct the issues noted in the original review. As a result, CCC and Internal Audit consider all four recommendations implemented, as self-reported by CCC management.

Rec #	Recommendation	Management Response	Status of Strategies/Current Status
01	District leadership should collaborate with the District's General Counsel, the District's Labor Negotiator, and the Vice-Chancellor of Human Resources on appropriate workload levels for all faculty assignments, including contract education, and develop processes to ensure equitable distribution of workload and quality education.	The Chancellor will ensure appropriate parties are notified and that collaborative efforts are made District-wide to resolve the issues.	Fully Implemented: CCC follows a similar process as OCC and GWC by ensuring Contract Education assignments are considered as part of the overall workload.
02	While the District and collective bargaining agreements have processes in place for a variety of reviews and approvals for courses and curriculum, District leadership should review these practices to: <ul style="list-style-type: none"> o Eliminate the ability of individuals, regardless of position, to review and approve their own courses and/or assignments; o Remove processes that create the appearance of conflict of interest or favoritism, and o Continue to ensure quality of education to students. 	The Chancellor and CCC management recognize improvements can be made in areas as a) creating a program that would allow tracking both general fund and contract education, and b) ensuring that course reviewers for on-line courses do not review their own courses.	Fully Implemented: CCC is not currently scheduling classes that are paid through the special faculty contract education/military rate which resulted in the problem addressed in this audit. Therefore, there are no longer special sections of classes with special review and assignment of faculty. All faculty class assignments follow the process outlined in the Collective Bargaining Agreements and are consistent across the district.
03	The District should ensure that: <ul style="list-style-type: none"> o The terms and conditions of labor agreements are followed and any "intended practices" regarding Department Chair stipends and LHE maximums are considered for negotiation and documented as part of the collective bargaining process, and o A formal process is created for requesting and approving workloads beyond the maximum LHE requirement. 	The Chancellor will ensure appropriate parties are notified and that collaborative efforts are made District-wide to resolve the issues.	Fully Implemented: Faculty may work up to seven lecture hour equivalencies (LHEs) in excess of 15 LHEs, without approval. Some faculty may work more, but this requires prior approval. Per the Bargaining Unit Agreement between the Coast Federation of Educators (CFE) and CCCD, part-time faculty assignments may not exceed 67% of a full load, which translates to about 10 LHEs.
04	The District should ensure that all faculty members (full-time or part-time) have an opportunity to submit their availability and/or courses for review and approval prior to the scheduling of courses for the term.	The Chancellor will ensure appropriate parties are notified and that collaborative efforts are made District-wide to resolve the issues.	Fully Implemented: Since assignments are now considered as part of the overall workload, all faculty must submit their courses and schedule for advance approval for scheduling purposes.

Self-Reported Status of Recommendations Follow Up Report Golden West College/Criminal Justice Training Center

IMPLEMENTATION STATUS GUIDELINES

Leadership from the Golden West College (GWC) Criminal Justice Training Center (CJTC) used the following methodology to complete its self-assessment of the implementation status of recommendations associated with prior audit work:

Status of Strategies: Describe the strategy that was used to implement the recommendation. If the recommendation is not fully implemented, please provide a rationale as to why, the current status, a date when it will be implemented, and the name of the party responsible for implementation.

Current Status: Designate whether the current status of the recommendation is one of the following:

Fully Implemented: Successful development & use of a process, system, or policy to implement a prior recommendation.

Substantially Implemented: Successful development but inconsistent use of a process, system, or policy to implement a prior recommendation.

Incomplete/Ongoing: Ongoing development of a process, system, or policy to address a prior recommendation.

Not Implemented: Lack of a formal process, system, or policy to address a prior recommendation.

Background

In September 2017, Internal Audit conducted an operational audit at the GWC-CJTC. As a result, Internal Audit identified opportunities for improvement related to staff training, staff roles and responsibilities, management oversight, cash handling, and circumvention of campus processes. These recommendations were aimed at improving the overall management of the program and reducing the risks for fraud, waste, and abuse. We also issued a scope limitation due to the various attempts to impede Internal Audit's work and corresponding recommendations.

In November 2019, Internal Audit conducted a Follow-Up Audit. Staff worked toward implementing the recommendations, but these efforts were reversed when a key staff member transferred to another area. This resulted in CJTC continuing to exhibit the same weaknesses in management oversight, budget control, cash handling, and student registrations as was present in 2017. Internal Audit also issued a "potential" scope limitation, as CJTC staff was not always able to cooperate with auditors or provide documents directly to the audit team without review, approval, and modification by management.

Internal Audit conducted a self-reported follow up to determine the extent to which current management implemented the recommendations from the prior audits. This review was completed in April 2023, and conclusions are noted below.

Conclusion

During the course of this project, the Associate Dean provided regular updates as to the status of retrieving documents to support the self-reported status of recommendations. Out of seven recommendations, six are fully implemented. One is substantially implemented, but it was also combined with another project (similar in nature), in order to further document the assets of the program.

**Self-Reported Status of Recommendations Follow Up Report
Golden West College/Criminal Justice Training Center**

Rec #	Recommendation	Management Response	Status of Strategies/Current Status
01	GWC should obtain contracts for all of its vending machines and monitor those contracts to ensure compliance with terms and conditions, including but not limited to receipt of revenues.	GWC will review vending contract needs in October 2019 when the Coke contract expires.	Fully Implemented: CJTC does not handle or process vending machine contracts. All vending machine contracts are processed and managed through the GWC Office of Administrative Services.
02	Students or visitors, regardless of reason on campus, should obtain parking permits directly from the GWC Parking Office or Fiscal Office.	The Parking Office was directed to cease any delivery of parking permits to CJTC.	Fully Implemented: The Parking Office was directed to cease any delivery of parking permits to CJTC. Staff was further directed by the current Associate Dean that all requests for parking must be submitted to Public Safety for review and processing.
03	CJTC should collaborate and cooperate with GWC management and A&R staff to improve registration processes such that there is an increase in online student registrations, a decrease in payment collection within CJTC, and a resolution to "personality conflicts" between department staff.	GWC management will work with CJTC and A&R and provide assistance in evaluating the registration and payment process in order to improve efficiencies and reduce errors that potentially affect students. GWC management will also work with Human Resources to obtain assistance in evaluating the work environment between CJTC and A&R.	Fully Implemented: Under the new Associate Dean, staff has re-engaged collaboration with A&R staff and improved efficiency and relationship between departments. All students register online and make payments at the Bursar's office. Any checks received at CJTC, are delivered directly to Bursar's Office. Students with cash are directed to the Bursar's Office. For in-service training courses, students receive an email directing them on how payment can be made. Staff has also reviewed AP6902.
04	CJTC should collaborate with Human Resources to obtain timecodes and pay rates for non-instructional assignments, ensure only those in instruction roles are classified as part-time faculty and charging time as such, and ensure only qualified persons perform non-instructional assignments.	GWC management will work with CJTC management and Human Resources to a) evaluate non-instructional time codes and pay rates and ensure staff is trained on the new codes; b) review the classification status of CJTC employees and ensure only part-time faculty who provide instruction are classified as such; and c) review the classification status of other CJTC employees to determine if change in job class/hire status is needed.	Fully Implemented: CJTC worked with GWC HR to create specific Org Codes for use to set pay assignments for PT faculty. CJTC also created a staff list with authority to access and approve timesheets. All EPAFs are reviewed and approved by the Associate Dean to ensure the proper classification of all PT employees. Non-instructional assignments are cleared through GWC HR prior to assignment to ensure compliance.
05	CJTC, in collaboration with GWC management and the Business Office, should	GWC management will continue to work towards understanding the CJTC budget and the true cost of the	Fully Implemented: GWC management completed a review and reorganization of staffing

**Self-Reported Status of Recommendations Follow Up Report
Golden West College/Criminal Justice Training Center**

Rec #	Recommendation	Management Response	Status of Strategies/Current Status
	conduct a thorough staffing and budget review, including but not limited to: a) Evaluation of staff roles and responsibilities, staff utilization (including part-time faculty and independent contractors), and a staffing needs assessment; b) Evaluation of which assignments are required and if required, need subject matter expertise, or whether assignments could be performed by a classified staff member; c) Evaluation of the CJTC budget to determine the cost to provide services that meet the needs of the CJTC programs/services, such that management has the ability to make program and service decisions based upon the cost-benefit of such activities.	program. Some efforts are underway as some spending concerns were identified prior to the start of this audit. GWC management is dedicated to ensuring budgeting and budget monitoring takes place in order to meet its fiscal responsibilities.	roles and responsibilities, which was implemented in 2020-2021. GWC management worked with the new Associate Dean to understand CJTC programing and budgeting by RCJTC, who is dedicated to ensuring budgeting and budget monitoring takes place to meet its fiscal responsibilities. All classified assignments are limited to only classified staff. Center Coordinator reviews all Instructor resumes to ensure instructors have the requisite training and experience for the assignment. This is a POST requirement. All RCJTC programs are reviewed at completion for cost analysis and budget review.
06	CJTC should work with the GWC Foundation to document the receipt of donated art memorabilia.	CJTC will work with the GWC Foundation to complete the documentation of the art memorabilia.	Substantially Implemented: Documentation of the art memorabilia is in progress, as well as the CJTC asset list, which was an additional need identified by the Associate Dean.
07	CJTC should establish a process to routinely review and monitor its instructor list to ensure the list of instructors in the POST database is accurate and complete and inactive employees are removed from District systems.	CJTC will oversee staff to ensure the POST instructor list is reviewed for accuracy on a biannual basis and will ensure assigned staff also review the list for inactive instructors and ensure District processes are followed to remove them from District systems.	Fully Implemented: Review is completed by the CJTC Coordinator biannually.

MEMORANDUM

Date: April 13, 2023
To: Dr. Whitney Yamamura, Chancellor
From: Rachel Snell, Internal Audit Director
Re: Districtwide Travel Policies and Procedures

Internal Audit evaluated Board Policy (BP) and Administrative Procedure (AP) 7400 Travel, which was last revised in February 2015 and November 2017, respectively. The objective was to determine the extent to which the District's travel policies and procedures reflect current practices for requesting, approving, and reimbursing travel expenses.

Background Information

The COVID-19 pandemic restricted employee travel for professional development or other business purposes. The District transitioned many business processes to an electronic format in the interest of business continuity during times of required social distancing and an inability for most employees to work onsite. However, travel was not considered a priority for process improvement at the time since travel was restricted. Currently, employees returned to an onsite work environment, and travel is no longer restricted.

Results

Travel costs will increase as events transition from virtual environments and return to in-person environments. It was noted that in some cases, travel was either not approved or ratified in a timely manner, preventing employees from receiving lower air fares or early registration discounts. In these cases, employees resubmitted approvals for travel since the amount of the initial request increased. Although these situations were infrequent, the manual nature of the process resulted in some unnecessary cost increases in travel and created some additional work for certain staff. In addition, the District continues to purchase the Conference Authorization Request Forms and the Travel Claim Expense Reimbursement Forms, which in most instances, are routed manually for approvals.

Furthermore, AP 7400 refers to a software called Chrome River, which was designed to improve efficiency by processing travel requests and approvals electronically and intended for implementation Winter 2017/Spring 2018. However, Chrome River was never implemented due to limited resources, competing projects, and an inability to obtain concurrence districtwide. In addition, the AP references obtaining a Purchase Order for various travel expenses, but in practice, a Purchase Order is not necessary.

In the Spring of 2023, the District organized a working group to review the travel practices. Facilitated by Internal Audit, the working group (with assistance from District Information Technology Services and the Board Office) improved processes related to the District's travel database and created a method for electronically generating a unique ID number for conference requests. This unique ID number is necessary for processing travel requests, including reimbursement of expenses. Without the ability to auto-generate this unique ID number, the District would be required to continue using the manual forms.

Furthermore, the working group also collaborated on potential revisions to BP/AP 7400, with the goal of submitting suggestions to the District Consultation Councils BP/AP Subcommittee for input and review. Part of this collaboration included creating an electronic version of required forms (with assistance from Coastline College's fiscal team), which allows for e-signatures for approval.

Recommendations

1. The District should modify BP/AP 7400 Travel and:
 - a. Ensure the policies and procedures reflect current practices;
 - b. Provide suggested revisions to those employees who process travel requests for input and review;
 - c. Submit suggested revisions to the BP/AP subcommittee and the Board of Trustees, consistent with the District's process for revising its BPs and APs.
2. The District should use the electronic travel forms and ensure staff is trained on the use of these forms.
3. The District should research the extent to which current resources can be used to further improve the process for travel requests and reimbursements (such as Next Gen Forms), prior to investing in a third-party software at a higher cost.

Management Response

The working group consisted of managers in all areas that would be responsible for implementing the recommendations. All parties concur with the recommendations.

Working Group Members

Rachel Snell, Internal Audit Director
Maira de la Torre, Internal Audit Specialist
Marlene Drinkwine, Vice Chancellor Finance and Administrative Services
Andreea Serban, Vice Chancellor Educational Services and Technology
Rupa Saran, Chief Information Technology Officer
Erik Fallis, District Director of Public Affairs, Marketing, and Foundation
Julia Clevenger, Director, Chancellor Office Operations & Governmental Affairs
Crystal McCutcheon, Director, Employee Relations and Compliance
Daniela Thompson, Executive Director Fiscal Services
Tanya Tran, Controller
John Eriksen, Manager Purchasing Services

**FY 2022-2023 ACCOMPLISHMENTS REPORT
&
FY 2023-2024 ANNUAL STRATEGIC WORK PLAN**

Internal Audit Department

**Rachel A. Snell, MPA
Internal Audit Director
CIA, CFE, CRMA, CICA**

June 2023

*Providing value-added services in an independent,
ethical, and collaborative environment*

LEADERSHIP

BOARD OF TRUSTEES



CHANCELLOR



Left: Dr. Whitney Yamamura

Right: Rachel A. Snell, MPA

INTERNAL AUDIT DIRECTOR





FY 2022-2023 ACCOMPLISHMENTS REPORT & FY 2023-2024 ANNUAL STRATEGIC WORK PLAN

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Chancellor Yamamura:

In accordance with Board Policy and Administrative Procedure 6400, and the International Professional Practices Framework (IPPF), I am pleased to present the Fiscal Year (FY) 2022-2023 Internal Audit Accomplishments Report and the FY 2023-2024 Annual Strategic Work Plan.

During FY 2022-2023, Internal Audit completed several projects and participated in various professional organizations. These activities allow Internal Audit to keep abreast of industry trends, which is applied to its Strategic Work Plan (Plan) and other projects.

The Plan identifies projects that facilitate Internal Audit's ability to provide value adding services District-wide, while maintaining the flexibility to adapt to changes at our constantly evolving institution. Projects no longer considered high risk may be replaced with other projects listed in the secondary work plan, or with new projects that arise in response to an unanticipated event.

Internal Audit remains independent and objective, and free from interference in determining the scope of our work. We must be free to perform our work and communicate results to necessary parties. In accordance with IPPF 1110, Internal Audit was not hindered in performing its work during FY 2022-2023. Although we communicated all results to the Board, Internal Audit was not always permitted to speak to the Board as a collective, in Closed Session, as had been permitted in the past. Applicable reports were emailed to the Board for their review.

If you have any questions, I can be contacted at (714) 438-4602 or rsnell1@ccd.edu.

Rachel Snell, Internal Audit Director, MPA (CIA, CFE, CRMA, CICA)

Accomplishments

Internal Audit made several contributions to the District and the audit community over the year. Below is the FY 2022-2023 Strategic Work Plan, as amended. Those projects which were either started and not completed, or not started will be carried to FY 2023-2024.

<i>Work Plan & Activities</i>	<i>Status</i>
Assist Auxiliary Organizations in ensuring annual reports and good standing report (AP 3600) are completed timely.	<i>Complete. External Auditor completed compliance work.</i>
Follow up audit on selected recommendations issued by Internal Audit, including those that resulted from investigations. (Fixed Assets, GWC Criminal Justice & CCC Contract Education) GWC Cosmetology [Added to Plan]	<i>Fixed Assets postponed due to change in management. GWC Cosmetology, Criminal Justice and CCC Contract Education complete.</i>
Review and Evaluate the District's legal fees and determine whether operational opportunities exist to reduce the District's leading root causes for litigation.	<i>Cancelled. Recommendations made from the 2015 remain unchanged. Additional work was not performed.</i>
Audit of Enterprise Corporation operations, oversight structure, and compliance with rules, regulations, policies and procedures, and other contractual agreements.	<i>Postponed. Swap Meets recently reopened and were not operating at full capacity at time of scheduled audit work.</i>
Assist the District in creating a program in support of Diversity, Equity, and Inclusion initiatives.	<i>Cancelled. Human Resources is revamping its DEI program and creating a districtwide plan.</i>
Prepare Annual Strategic Work Plan 2023-2024.	<i>Complete.</i>
Risk Services Consulting Project (Contracts, EHS, Workers Comp, and Insurance/Claims) [Added to Plan] .	<i>Complete. Four memo reports issued.</i>
<i>External Auditor Liaison, Boards, Committees, and Other District Meetings, Retirement Board.</i>	<i>Ongoing.</i>
Teammate+ Continuous Improvement.	<i>Ongoing.</i>
Review Internal Audit-related Board Policies and Administrative Procedures and evaluate any need to amend in order to keep current with audit standards.	<i>Complete. No changes recommended.</i>
Perform operational review of the OCC Student Health Center, and determine whether the Center operates efficiently, effectively, and compliant with associated rules and regulations.	<i>Complete. One memo report issued.</i>
Continue to participate in professional organizations.	<i>Ongoing.</i>
Review of Internal Audit department policies and procedures.	<i>Complete. No changes necessary.</i>
Faculty Load and Compensation [Added to Plan]	<i>Complete.</i>
Conduct Ethics training for all M&O departments.	<i>Complete.</i>
Review of Districtwide Travel policies, procedures, and processes [Added to Plan]	<i>Complete.</i>
Internal Audit Records Management	<i>Ongoing.</i>
Operational review of the District's Student Enrollment processes.	<i>Cancelled. Colleges are still adjusting to return to in-person learning.</i>
Operational review of the District's Title IX program.	<i>Complete.</i>

In addition to the projects above, Internal Audit staff contributed to the District by participating in various impromptu advisory projects. We also participated in various audit industry related events. (See table below). It should be noted that one of our work study students was granted United States citizenship. It should also be noted that a long-time mentor for Internal Audit was recently awarded the Lifetime Achievement Award by the Association of Local Government Auditors.

District Services	Professional Organizations	Publications/Other
<ul style="list-style-type: none"> • Retirement Board Vice Chair • Advisory—District Consultation Council Policy and Procedure Subcommittee 	<ul style="list-style-type: none"> • IIA: Member; • ALGA: Mentor (1 mentee) • ACFE: Member 	<ul style="list-style-type: none"> • IIC: Featured Member (Winter 22) • CCIA: Fall Conference Speaker (Fall 22) • South Junior High Community Panelist for Capstone Student Project.

ALGA: Association of Local Government Auditors

ACFE: Association of Certified Fraud Examiners

IIA: Institute of Internal Auditors

ACUA: Association of College and University Auditors

ISACA: Information Systems Audit and Control Association

IIC: Institute of Internal Controls

CCIA: Community College Internal Auditors

Strategic Work Plan and Activity Approach

Internal Audit provides value adding services to assist the Board and the District in creating an environment of continuous improvement. Operating within a culture of accountability and transparency, Internal Audit performs work with independence and objectivity. To ensure our independence, staff signs an annual statement of independence. According to the International Professional Practices Framework (IPPF), IPPF 2010 states that the “chief audit executive must establish risk-based plans to determine the priorities of the internal audit activity, consistent with the organization’s goals.” IPPF also requires an annual planning process that includes input from senior management and the Board.

Audit standards allow for Internal Audit to provide a wide variety of services to the District. In general, these services fall into three main initiative areas, and we use the Plan to schedule and perform projects that address the various risk areas within the organization. Investigations are unplanned, and staff performs this work as the need arises.

AUDIT	CONSULTING	INSPECTION	INVESTIGATION
In depth assessment of programs, operations, business processes. Examples: Financial, compliance, performance, system security, business process analysis.	High level review of, advice on or training related to policies, risk, fraud, system implementation. Examples: Advisory services and business process reviews.	Proactive, impromptu review of everyday transactions aimed to identify control weaknesses. Examples: Purchase orders, payroll changes, change orders, petty cash.	Planned or impromptu reviews into allegations of wrongdoing, including fraud, waste, and/or abuse. Examples: Asset misappropriation, questionable transactions and purchases, using job position beyond allowable authority.

As a higher education institution, the District faces many challenges and changes. By creating a strategic work plan that prioritizes projects for the upcoming fiscal year, as well as identifies projects for consideration should the initial priorities change (see Secondary Work Plan), Internal Audit is better able

to plan for and address the needs of the District. We also use the Plan to ensure Internal Audit staff receives the training necessary to meet competency objectives for each project.

Internal Audit's Annual Strategic Work Plan is created with input and assistance from various stakeholders throughout the District. It is our goal to continue receiving input on an on-going basis, and to collaborate on new ways in which information can be collected to ensure the Plan is based upon the most up-to-date, reliable information as possible.

Strategic Work Plan and Activities

Below is the FY 2023-2024 Internal Audit Annual Strategic Work Plan and Activities. After careful consideration, the following areas were deemed of highest risk and value adding necessity to the District.

District-Wide Operations	Audit Requirements & Continuous Improvement
Conduct a self-assessment to determine whether Internal Audit's fraud, waste, and abuse Hotline program follows best practices.	Follow up audit on selected recommendations issued by Internal Audit, including those that resulted from investigations. (Fixed Assets, Recycling Center)
Review the Behavioral Assessment Team program and determine a) the extent to which it meets program goals and objectives and b) complies with best practices.	TeamMate (TM)+ Continuing Development: Continue to enhance audit and investigation procedures utilizing system features and documenting results in the TM+ User Guide.
	Internal Audit Record Management Project.
Determine whether the District's Procurement Card program complies with purchasing related laws, regulations, policies, and procedures, and whether controls exist to prevent unauthorized use and purchases.	Review Internal Audit-related Board Policies and Administrative Procedures and evaluate any need to amend to keep current with audit standards.
District wide review of facility use and fee waivers.	Prepare Annual Strategic Work Plan 2024-2025.
Other District-Wide Initiatives	Other Audit Initiatives
Continue to participate in Boards, Committees, and working groups, including External Audit Liaison & Retirement Board.	Continue to participate in professional organizations.
	Continue to recruit staff and work study students for the department.
Districtwide outreach to stakeholder groups to provide information on Internal Audit services, roles, and responsibilities.	Review Internal Audit Department policies and procedures.
Campus Operations	
To determine whether gift cards maintained at the colleges are inventoried and secured, and whether gift cards are utilized and disbursed for an allowable purpose.	Review GWC Budget process and Requisition Approval Process.

Secondary Work Plan

As a matter of practice, Internal Audit realizes that priorities may change. On occasion we may find the risks associated with the Plan were mitigated prior to the start of an audit. To ensure that Internal Audit has a full work plan, we developed a Secondary Work Plan, from which projects may be selected should a project on the Plan be cancelled or postponed. These also represent areas that Internal Audit identified as key initiative areas within the upcoming years.

<u>District Operations</u>	<u>Campus Operations</u>
Review the process for employees to obtain reasonable accommodations and evaluate the extent to which such processes comply with rules and regulations.	To evaluate a selection of revenue generating operations on each campus and determine whether such entities operate efficiently and economically.
Review IT processes for identifying emails, websites, and other forms of electronic methods for sharing/receiving inappropriate content.	To review college Career Centers and determine the extent to which operations meet student needs.

Board Reporting Schedule

In accordance with Board policy and auditing standards, Internal Audit is required to ensure that the entire Board is aware of Internal Audit activities. While the schedule may fluctuate to correspond with the meeting dates established by the Board, we submit the following as the anticipated Internal Audit Activity reporting dates. Internal Audit reserves the privilege of reporting to the Board more frequently should the need arise. The Board reserves the privilege to request updates more frequently than what is proposed in the table below.

- September 2023
- December 2023
- March 2024
- June 2024

In some instances, Internal Audit may be required to present items in closed session, in accordance with the Brown Act. These reports will be scheduled as needed.

Internal Audit also provides updates on department activities to the Audit and Budget Committee as required by Board Policy 2220 Committees of the Board, on at least a quarterly basis or as requested by the committee.

MEMORANDUM

Date: May 22, 2023

To: Dr. Whitney Yamamura, Chancellor
Dr. Andreea Serban, Vice Chancellor Educational Services and Technology
Dr. Marco Baeza, Vice Chancellor Human Resources
Dr. Vince Rodriguez, CCC President
Dr. Meredith Randall, GWC Acting President
Dr. Angelica Suarez, OCC President

From: Rachel Snell, Internal Audit Director, MPA (CIA, CFE, CRMA, CICA)

Re: Districtwide Title IX Review

Internal Audit reviewed the Title IX process districtwide, as per its 2022-2023 Annual Strategic Audit Plan. We reviewed Board Policy (BP) and Administrative Procedure (AP) 5910, Sexual Misconduct, the colleges' Title IX websites, and other relevant documents. We also interviewed Title IX Coordinators at the colleges and personnel from District Human Resources (HR).

Background Information

Title IX of the Education Amendments of 1972 is a Federal civil rights law prohibiting sex discrimination (including pregnancy, sexual orientation, and gender identity) in any education program or activity receiving federal financial assistance. AP 5910- describes education programs or activities as "locations, events, or circumstances over which the District exercised substantial control over the context in which the Sexual Harassment occurred, including, but not limited to the District, the Colleges, its property...on-campus student housing facilities, through online services, and at District-sponsored/College-sponsored programs, activities, and travel." The District only has jurisdiction when the Respondent is a participant in the education program or activity of the District/College.

Department of Education (DOE) regulations require educational institutions to promptly respond to reports of sexual harassment, including offenses of sexual assault, domestic violence, and stalking. Institutions must also a) publish and distribute a policy against sex discrimination; b) designate at least one employee to coordinate Title IX compliance; and c) create and make known the procedures for filing Title IX complaints. Title IX Coordinators review all reports and determine whether they fall within the scope of Title IX. Supportive measures are available, if necessary, and cases not pertaining to Title IX are referred to the appropriate office/process. Title IX Coordinators may initiate an investigation when a formal complaint that meets the required criteria

is filed. In its 2021-2022 Administrative, Service, and Support Area Department Program Review, Coastline Community College (CCC) reported a total of five Title IX cases, of which none led to an investigation. Golden West College (GWC) noted in its 2021-2022 Title IX Annual Report that out of four reports, none met the Title IX threshold. Orange Coast College (OCC) reported 60 incidents in its 2021-2022 Title IX Annual Statistical Report, and none resulted in an investigation.

The Student Services budget at each college funds the Title IX Coordinator position, of which there is one at each campus. GWC has a Division Coordinator who assists with uploading documents to Maxient, scheduling meetings, and coordinating the Sexual Assault and Domestic Violence Awareness months' activities for all sites. Faculty, staff, and managers serving as either investigators or advisors must complete Title IX training before participating in the process. However, case management duties rest solely on Title IX Coordinators. District HR accesses funding assistance for training through the Statewide Association of Community Colleges (SWACC). It also provides assistance with investigations upon request, or when a complaint involves an employee. Further funding includes a one-time grant the colleges received in 2017 from the State Chancellor's Office. In 2020, the District received a Prevention in Pandemic grant from the California Coalition Against Sexual Assault, which supported students in an online environment and prevent technology enabled abuse.

Results

Overall, Internal Audit found that the Title IX process, from report inception through the closing of a case, is documented and consistent across the colleges (see Attachment A, page 4). Each college maintains a webpage dedicated to Title IX that provides information, resources, and a link to file a complaint. Prevention and awareness training is promoted year-round, with enhanced education efforts during April and October (Sexual Assault and Domestic Violence Awareness months). Title IX Coordinators and District HR work together to provide relevant and consistent information throughout the District and raise awareness of the program.

Policies and Procedures

Laws and regulations surrounding Title IX regularly change, and Title IX Coordinators collaborate with District HR to discuss and amend BP/AP 5910 accordingly. DOE issued changes to its Title IX regulations in June 2022 and more changes are expected around May 2023. BP/AP 5910 were last ratified on November 4, 2020, but additional revisions will be made after the DOE formally issues its changes. Such revisions will then be discussed with the DCC BP/AP Subcommittee and then with the Board of Trustees. Once approved and ratified, respectively, revisions will be posted to the District's website.

Reporting

AP 5910 requires the Title IX Coordinator to report annually to the College President or Chancellor the following information: number of reports received during the academic year, number of reports investigated (including whether the Respondent was found responsible and final sanctions, if applicable), a description of the action taken for reports resolved without an investigation, a list of the College's Title IX personnel including a description of their annual training, and a report of the various training, education, and preventative programs provided to students, staff, administrators, and faculty during the academic year.

Currently, CCC does not prepare a Title IX Annual Report as stated in BP/AP 5910, but it prepares two other reports: the Program Review and the Annual Security and Fire Safety Report. Internal

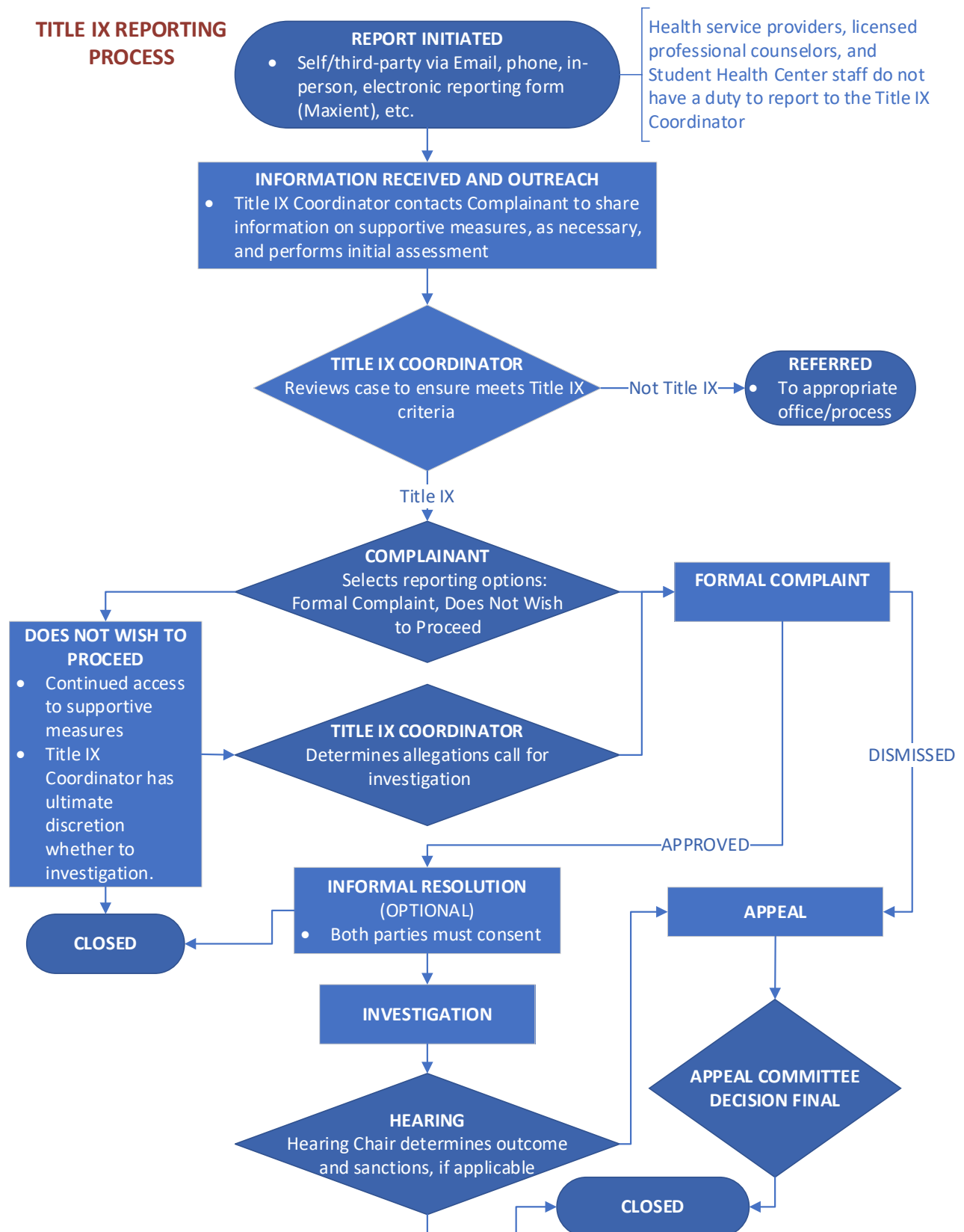
Audit noted that these two reports contained all the required elements except the listing Title IX personnel. According to CCC, the reporting requirements per state and federal regulations are satisfied with the presentation of the Annual Security and Fire Safety Report, which is a Clery Act required report. The requirement listed within BP/AP 5910 is an additional requirement that is not mandated in state and federal regulations.

Recommendations

1. Title IX Coordinators should work with the DCC BP AP Subcommittee to submit revisions to BP 5910 and AP 5910 and to the Board as per the District's process for policy revisions.
2. CCC should prepare an Annual Report in compliance with AP 5910 Section XVIII.

Cc Dr. Kate Mueller, Vice President CCC Student Services
 Dr. Natalie Schonfeld, CCC Dean of Students
 Leighia Fleming, CCC Director Student Equity & Title IX
 Dr. Claudia Lee, GWC Vice President of Student Services
 Dr. Carla Martinez, GWC Dean of Students, Title IX Coordinator
 Dr. Madjid Niroumand, OCC Vice President Student Services
 Shannon Quihuiz, OCC Associate Dean Student Relations & Title IX

Attachment A: Title IX Reporting Process





FEATURED MEMBER

Rachel Snell

CIA, CFE, CICA, and CRMA Certified

Rachel presently holds the position of Internal Audit Director and Chief Audit Executive for the Coast Community College District in Costa Mesa, California.

Rachel has over 17 years experience in both the public and private sectors. She started her career in internal investigations in the retail industry in 1996, and moved into skip trace collections in banking in 1997. Having completed her Master's degree in Public Administration Rachel transitioned into the public sector performing operational work for a US Congressman before working in City government in such areas as community outreach, emergency management, and law enforcement. Rachel transitioned to the world of audit in 2005, and worked in audit for State and Local governments in Texas and California prior to entering the realm of education in 2014. Throughout her audit career, Rachel continued to gain subject matter expertise in purchasing, contracts, health care, hotel occupancy tax, social services, grants, education, student services, and information technology.



Recently Rachel has served the Coast Community College District as the Internal Audit Director for nearly nine years, rebuilding the department from the ground up in order to ensure independence, objectivity, and transparency. Her experience in both operations and audit, along with her achievements in Federal, State, and Local government, has contributed to her ongoing success as an audit professional.

Rachel is active in professional organizations as a member and a leader, serves as a speaker at many conferences and training events, and publishes articles in audit-related publications. In addition to the CICA, Rachel is recognized as a Certified Internal Auditor (CIA), Certified Fraud Examiner (CFE), and Certified in Risk Management Assurance (CRMA). Along with her memberships with the Institute of Internal Auditors (IIA) and the Association of Certified Fraud Examiners (ACFE), she is also an active member of the Association of Local Government Auditors (ALGA), the Association of College and University Auditors (ACUA), and the Community College Internal Auditors (of California).

Rachel holds a Bachelor of Arts degree in Political Science (Pre-Law emphasis) from Willamette University, in Salem, Oregon, and a Master of Public Administration degree from the School of Public Affairs at Arizona State University.