

## **ACCJC Standard III-B: Physical Resources**

### **FCMAT Facilities Management Standard 3.1 - Facilities Improvement and Modernization - Appropriate Use of the Scheduled Maintenance and Special Repair Funding in the Capital Outlay Projects Funds**

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#### **Legal Standard:**

The college has a restricted capital outlay fund and a portion of those funds are expended for maintenance and special repairs only. [EC 84660]

#### **Sources and Documentation:**

1. Board policy
2. Interview with Director of Facilities, Management, and Planning
3. College's general ledger for Fund 41, Capital Outlay Projects (no new data provided at May 2008 visit)
4. Copy of Fund 41, Capital Outlay Projects budget
5. Copies of some claim reimbursement documents
6. Copy of board agenda dated August 23, 2005, that approved the five-year (2007-11) Construction Plan (no new approval provided at May 2008 visit)
7. Copy of Measure CC Bond Program and State Capital Outlay Program Progress and Budget Cost Report dated October 31, 2006 (no new data provided at May 2008 visit)

#### **Progress on Implementing the Recommendations of the Recovery Plan:**

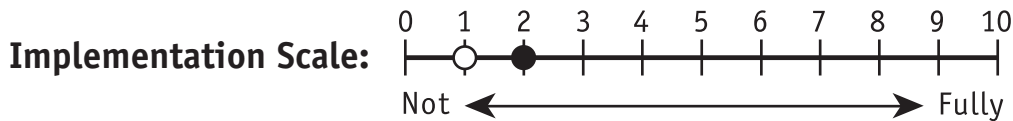
1. There has been no change to board policy since the last facilities review; the college has not established a board policy stating the college's goals for the use of scheduled maintenance and special repair program funds and prioritizing the types of projects.
2. Compton CCD management reports that it has drafted a scheduled maintenance plan for 2009-13 at the time of the last facilities review, but no procedure was documented to ensure that the plan is updated annually to remove projects completed during the year and to include projects that are due for scheduled maintenance and special repair funding. The Director of Facilities, Management, and Planning is maintaining the five-year plan on the database network FUSION, and is able to make updates and revisions on the network. A procedure should be developed to update the five-year construction plan annually.
3. College staff report that formal reports on the use of scheduled maintenance and special repair project funding can be created through the FUSION program. The college provided report documentation of the five-year plan, capital outlay projects, and scheduled maintenance through the FUSION program and other college documents. The college should continue to utilize these reports and ensure that the reports are created annually.
4. College administrators (mainly the Director of Maintenance and Operations) have continued to encounter delays in receiving accurate budget information. The lack of budget numbers has continued to hinder progress in completing maintenance and special repairs. The Director of Maintenance and Operations has made repeated attempts to obtain the correct budget amounts without success. As a result, the director spends a great deal of time engaged in

administrative paper work or meetings and is not able to utilize his time managing the Maintenance and Operations Department. At the time of the May 2008 facilities review, it appeared that this situation was becoming more critical since the fiscal year for 2007-08 was closing out and the director did not have access to any funds to make emergency repairs because a purchasing deadline had been imposed on all departments. The director felt compelled to use a college credit card to make necessary purchases, but then the credit card was suspended for purchasing. It was reported that the Maintenance and Operations Department should have access to one or two open purchase orders to make purchases against, but due to previous issues with purchase orders being invalid or not assigned to the correct fund, the assessment team was not confident that the director would have access to these funds.

Considerations and accommodations should be allowed, even at the end of the fiscal year, for the routine basic services in maintenance and operations areas.

### Standard Implemented: Partially

April 2007 Rating: 1  
January 2008 Rating: 1  
July 2008 Rating: 2



**ACCJC Standard III-B: Physical Resources**  
**FCMAT Facilities Management Standard 3.4 - Facilities Improvement and Modernization - Plan for Maintenance and Modernization Exists**

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**Legal Standard:**

The college maintains a plan for the maintenance and modernization of its facilities. [EC 17366]

**Sources and Documentation:**

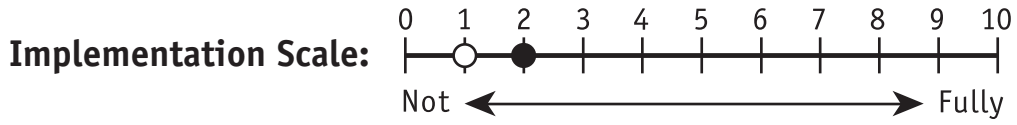
1. Interviews with staff
2. Reviewed minutes of the college's Bond Oversight Committee (no new data provided as of May 2008 site visit)
3. Reviewed summary and detail reports provided by BRJ & Associates as of October 31, 2006 (no new data provided as of May 2008 site visit)
4. Reviewed college's five-year scheduled maintenance plan for 2009-2013
5. Reviewed college's draft Facilities Master Plan

**Progress on Implementing the Recommendations of the Recovery Plan:**

1. A five-year scheduled maintenance plan was approved by the board in August 2005 and the staff reported it was revised this year for 2009-13. In addition, the college has developed a draft Facilities Master Plan that was presented to the board on May 20, 2008.
2. The college does not independently verify the information included in the monthly reports provided by the program and construction managers. The college has not verified the financial information that is included in the monthly reports against the financial system data. It was not clear at the time of the May 2008 site visit if monthly reports were provided by the program and construction managers since work and progress in this area has slowed and nearly ceased.
3. There was no documentation of monthly reports prepared by program and construction managers. These reports should include change order amounts and the percentage of the original projected amount.
4. The college has not completed any projects for maintenance and modernization for this year. The college reports that 2007-08 was a year of planning and, consequently, no monthly or quarterly reports are provided to the board showing the current status of the projects funded with scheduled maintenance and special repair funding. College staff reports that project proposals for the Allied Health building and other projects were submitted to the Chancellor's office and are in the process of being approved.
5. The Five-Year Scheduled Maintenance Plan has been updated for 2009-13. It should be accessible by college staff who need to refer to it regularly. It should include key information for staff to aid them in making decisions regarding the use of those funds and planning for maintenance needs. The Five-Year Scheduled Maintenance Plan should be reviewed and updated annually.
6. A report of all college construction projects is compiled on the FUSION network and some projects are in the stages of being approved for funding.

## Standard Implemented: Partially

April 2007 Rating: 1  
January 2008 Rating: 1  
July 2008 Rating: 2



**ACCJC Standard III-B: Physical Resources**  
**FCMAT Facilities Management Standard 3.6 - Facilities Improvement and Modernization - Maintenance of a System for Tracking Project Progress**

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**Professional Standard:**

The college has established and maintains a system for tracking the progress of individual projects.

**Sources and Documentation:**

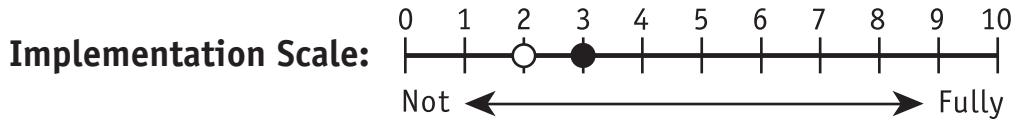
1. Interviews with Director of Maintenance of Operations and Director of Facilities Management and Planning
2. Detail reports provided by program and construction managers as of October 31, 2006 (no new data provided as of May 2008 visit)
3. Reports provided from the FUSION network

**Progress on Implementing the Recommendations of the Recovery Plan:**

1. The college has not developed a comprehensive report that is all-inclusive for all projects and funding sources as an internal tracking mechanism. College staff reports that many, if not most capital projects are recorded on the FUSION network. The Director of Maintenance and Operations reports that the department maintains a spreadsheet that tracks the completed and ongoing projects. At the last facilities review, the college reported that draft policies had been written for tracking the progress of individual projects and other related management functions under evaluation, that no status change has occurred on the draft policies, and that no action has been taken to date.
2. The Director of Maintenance and Operations maintains a comprehensive spreadsheet for each project and vendor with which the department contracts. Review of the provided documentation shows that the director approves and forwards the invoices to the college accounting department in a timely manner, in many cases within one to two weeks of receiving an invoice or charge for projects or materials. The director reports that issues often arise with purchase orders or fund balances that create problems in the accounting department, and then the invoice is not paid in a timely manner. Also, the director reported that, in most cases, he is not made aware of these billing issues, which can create problems if the director attempts to contract with the vendor for additional services, projects, or materials and finds the invoice is unpaid. The director reports that these issues are common and makes it difficult to present the college as a responsible institution with which to contract for services, projects, or materials. The director's valuable time is consumed by these accounting issues, trying to ensure that the projects move forward and that the invoices are paid on time. In addition, building the capacity of staff for tracking projects and monitoring completion dates and financial status continues to be essential to the continued progress of the college.

## Standard Implemented: Partially

April 2007 Rating: 2  
January 2008 Rating: 2  
July 2008 Rating: 3



**ACCJC Standard III-B: Physical Resources**  
**FCMAT Facilities Management Standard 3.7 - Facilities Improvement and Modernization - Furniture and Equipment Included in Modernization Program**

**Professional Standard:**

Furniture and equipment items are routinely included within the scope of modernization projects.

**Sources and Documentation:**

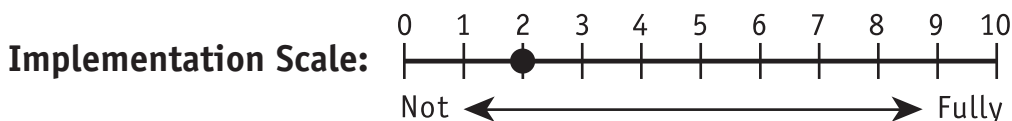
1. Interviews with Director of Facilities Management and Planning
2. Detail reports provided by program and construction managers as of October 31, 2006 (no new data provided as of May 2008 visit)
3. Physical inspection of new construction and modernization projects on campus

**Progress on Implementing the Recommendations of the Recovery Plan:**

1. The college has not developed a comprehensive report that is all-inclusive for all projects and funding sources as an internal tracking mechanism. College staff reports that many, if not most capital projects are recorded on the FUSION network. The Director of Maintenance and Operations reports that the department maintains a spreadsheet that tracks the completed and ongoing projects. At the last facilities review, the college reported that draft policies had been written for tracking the progress of individual projects and other related management functions under evaluation, that no status change has occurred on the draft policies, and that no action has been taken to date.
2. As previously reported, in 2007-08 no modernization projects have occurred. The college continues to identify that planning to include furniture and equipment in planned modernization needs to occur, but no plan has been developed to date to implement this inclusion. The college should address furniture and equipment items in the final Facilities Master Plan.

**Standard Implemented: Partially**

April 2007 Rating: 2  
January 2008 Rating: 2  
July 2008 Rating: 2



**ACCJC Standard III-B: Physical Resources**  
**FCMAT Facilities Management Standard 3.8 - Facilities Improvement and Modernization - Technology Infrastructure Needs for Facilities Projects**

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**Professional Standard:**

Refurbishing, modernization, and new construction projects should take into account technology infrastructure needs.

**Sources and Documentation:**

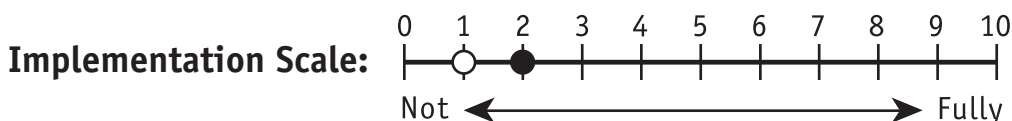
1. Interviews with staff
2. Interviews with Director of Facilities, Management and Planning
3. Detail reports provided by program and construction managers as of October 31, 2006 (no new data provided as of May 2008 site visit)
4. Physical inspection of college campus facilities and randomly selected classrooms
5. Technology Plan
6. Draft Facilities Master Plan

**Progress on Implementing the Recommendations of the Recovery Plan:**

1. There has been no change to the Technology Plan since the last facilities review. With the development of the draft Facilities Master Plan, the Technology Plan may need to be reviewed and possibly revised to reflect the proposed infrastructure upgrades and campus development. As recommended in the last review, specific information regarding the college's infrastructure needs prior to the architectural stage of construction and modernization should be expanded to require technology involvement in the very early stages of the new construction and/or modernization of an existing building. As the draft Facilities Master Plan is developed further and finalized, the Technology Department should be involved in the early stages of construction design.
2. There has been no change to the process for reviewing both the databases for the inventory and the electrical spaces. The college did not provide any documentation that the databases are being reviewed by someone who knows the application used by the college. As recommended in the last review, the appropriate staff should be included on the design and planning committee.

**Standard Implemented: Partially**

April 2007 Rating: 1  
January 2008 Rating: 1  
July 2008 Rating: 2





**ACCJC Standard III-B: Physical Resources**  
**FCMAT Facilities Management Standard 3.13 - Facilities Improvement and Modernization - Knowledge of Office of Public School Construction and the Division of the State Architect Procedures**

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**Professional Standard:**

Staff within the college is knowledgeable of procedures within the Division of the State Architect (DSA).

**Sources and Documentation:**

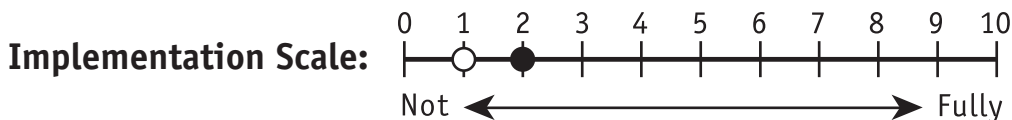
1. Interviews with college staff

**Progress on Implementing the Recommendations of the Recovery Plan:**

1. Two directors, the Director of Facilities, Management and Planning and the Director of Maintenance and Operations, have extensive DSA experience, but the college still needs to assign staff to monitor the facilities project team (architect, construction manager, contractors, and inspectors) as new construction and major projects begin.
2. There have been no changes in regard to the DSA training for college staff. The college has not provided training on basic knowledge about DSA procedures and requirements to staff. The college has identified the need for training, and plans to enroll staff in the DSA Academy, but no action has been taken to date. The college also reported that the training has not occurred because the college has not started any new construction projects. It is crucial to provide college staff with DSA training so that the knowledge is within the college institution.

**Standard Implemented: Partially**

April 2007 Rating: 1  
January 2008 Rating: 2  
July 2008 Rating: 2



## **ACCJC Standard III-B: Physical Resources**

### **FCMAT Facilities Management Standard 4.1 - Construction of Projects - An Appropriate Project Management Structure Exists**

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#### **Professional Standard:**

The college maintains an appropriate structure for the effective management of its construction projects.

#### **Sources and Documentation:**

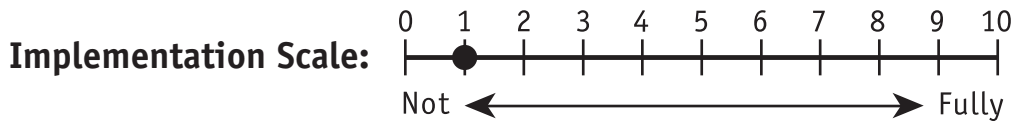
1. Interviews with site administrators
2. Detail reports provided by program and construction managers as of October 31, 2006 ( no new data provided as of May 2008 site visit)
3. Physical inspection of college campus facilities and randomly selected classrooms

#### **Progress on Implementing the Recommendations of the Recovery Plan:**

1. The college should carefully plan for construction management needs for all its projects. Bond funds are maintained by an outside program and construction management firm, but other active projects should be incorporated into a tracking system that provides the necessary information to enable management decisions to be made regarding construction projects. At the time of the site visit, no new projects were under way. However, the college was going to begin working with in-house staff and the management firm to reconcile the use of already-issued bond monies. The reconciliation was scheduled to begin in early December 2007. As of the May 2008 site visit, the reconciliation had not started and a time line had not been set.
2. There have been no new construction projects completed since the Director of Facilities, Management and Planning was hired in 2007.
3. Before new projects or construction begin, the college should establish procedures to evaluate the ongoing effectiveness of its in-college versus outside construction management relationship. The results of this evaluation should guide the amount and degree of future use of outside construction management services.
4. To date, the college has not provided professional training related to project and construction management for staff involvement in the construction phase of projects. The two directors have professional training and experience related to project and construction management. The directors recognize the need to provide training to existing staff for continuity in future project development and completion.
5. The Bond Oversight Committee has not met since October 9, 2007, because bond activity was suspended. College staff report that the next meeting is scheduled for June 2008. At this time, the Bond Oversight Committee's meeting minutes should be accessible at all times and posted to the college's Web site. As of the last review, the minutes had not been posted on the college's Web site per the team's previous recommendation. As previously reported, posted minutes would be easily accessible and would inform the community and other oversight agencies regarding the use of bond funds.

## Standard Implemented: Partially

April 2007 Rating: 1  
January 2008 Rating: 1  
July 2008 Rating: 1



## **ACCJC Standard III-B: Physical Resources**

### **FCMAT Facilities Management Standard 4.3 - Construction of Projects - Maintenance of Appropriate Project Records and Drawings**

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#### **Professional Standard:**

The college maintains appropriate project records and drawings.

#### **Sources and Documentation:**

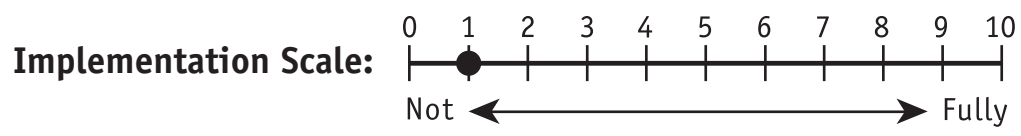
1. Interviews with Director of Facilities Management and Planning, and Director of Maintenance and Operations
2. Detail reports provided by program and construction managers as of October 31, 2006 (no new data provided as of the May 2008 site visit)

#### **Progress on Implementing the Recommendations of the Recovery Plan:**

1. As reported in the last review, the maintenance of records is an internal control function that should be established by the college and continued into the future for all construction projects approved by the board or the Special Trustee. These records should be as comprehensive as possible, including drawings and maintenance of project records. At the last facilities review, the college reported that the implementation of an electronic and paper document archive had occurred, and would be utilized on future projects. No change has been made to this standard because no new construction projects have occurred for 2007-08. For all future projects, the recommendations should be implemented.
2. In the last review report, the college reported the implementation of a paper archive, but the physical location of the records was not known and the college did not provide documentation of the archive. The physical location of the records should be relatively close to the facilities department or the department that will be responsible for all records to ensure monitoring.
3. The college reports that the implementation of CAD and other relevant document standards will be used for future projects, but no status change has occurred in this area because no new projects have been started since the last review.
4. The college has not implemented a system for recording the check-out of plans to ensure responsibility/accountability for their return.
5. There is no progress or change in the standard because the college is planning the next phases for projects.

#### **Standard Implemented: Partially**

April 2007 Rating:	1
January 2008 Rating:	1
July 2008 Rating:	1



## ACCJC Standard III-B: Physical Resources

### FCMAT Facilities Management Standard 5.3 - Compliance with Public Contracting Laws and Procedures - Conflict of Interest Statements and Compliance

#### Professional Standard:

The college maintains files of conflict of interest statements and complies with legal requirements. Conflict of interest statements are collected annually by the President/Superintendent and kept on file.

#### Sources and Documentation:

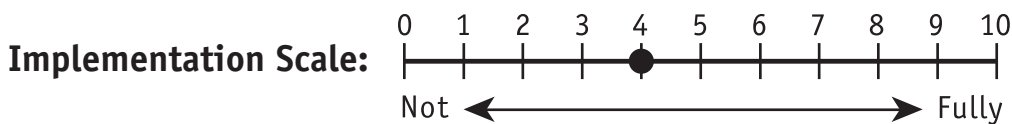
1. Board policy
2. Interviews with college staff

#### Progress on Implementing the Recommendations of the Recovery Plan:

1. As reported in the last review, no documentation was provided to support an updated certification to the county as to which positions requiring conflict of interest statements have been designated by the board.
2. The Interim Provost reported that conflict-of-interest statements were collected at the start of the 2007-08 school year. Some staff employed by El Camino Community College who work at the Compton College Center reported that it was unclear where to submit a conflict-of-interest statement. A procedure to collect the conflict-of-interest statements should be established for staff members who are employed by El Camino Community College but work at the Compton College Center.
3. No documentation was provided that the college had obtained signed departure documents from departing employees. There was no change in this area from the last report.
4. There was no documentation provided for signed conflict-of-interest statements for all new employees as required.

#### Standard Implemented: Partially

April 2007 Rating: 4  
January 2008 Rating: 4  
July 2008 Rating: 4



## **ACCJC Standard III-B: Physical Resources**

### **FCMAT Facilities Management Standard 8.1 - Facilities, Maintenance and Custodial - Implementation of an Energy Conservation Policy**

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#### **Professional Standard:**

An energy conservation policy should be approved by the Board of Education and implemented throughout the college.

#### **Sources and Documentation:**

1. Energy policy for school design
2. Review of materials provided by program management firm, BRJ & Associates
3. Interviews with site administrators

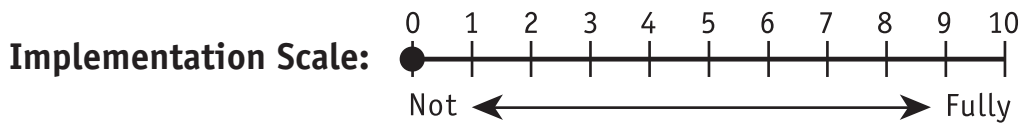
#### **Progress on Implementing the Recommendations of the Recovery Plan:**

1. Since the last review, there has been no change to board policy. The college has not established a board policy specifically to address the nature of energy and energy conservation or to describe how it will be applied.
2. As recommended in the last facilities review, the following items should be addressed in board policy at a minimum:
  - a. Board commitment to energy efficiency.
  - b. Direction to administrators to aggressively implement the policy.
  - c. Energy management as a high priority in new construction, modernization, equipment replacement or repair projects.
  - d. A list of energy design criteria for use by design teams working for the college. This should be incorporated in the existing design standards for the college.
  - e. Energy efficiency through alternate funding for all campuses, or other sites where classes are held, that are not part of state-funded modernization.
  - f. Specific items for implementation.
  - g. Turning off all heating and ventilation systems when classes end for the day.
  - h. Keeping all systems off on weekends and holidays.
  - i. Holding after-class and weekend meetings in portable buildings, so large centralized systems do not have to run for a meeting in one classroom.
  - j. Shutting off lights whenever a room becomes unoccupied.
  - k. Morning warm-up of a campus site at the latest possible time to properly heat classrooms.
  - l. Checking all rooms at appropriate times to ensure lighting, heating, and ventilation have been turned off, with documentation regarding the check times.
  - m. A designated energy coordinator to implement the policy at each campus and other sites.
  - n. Turning on stadium lights (football, soccer, and baseball) during daytime hours only for repairs and lamp replacement.
  - o. The possibility of maintaining dark campuses at night after the last staff member leaves.
  - p. Holding chief campus administrators responsible and accountable for the results of the energy program at their campus.
  - q. Including energy education curriculum at all levels and disciplines.

- r. Implementing an energy accounting system, reviewing bills monthly and annually, and tracking the success of the program.
  - s. Sharing savings with individual campuses based on their success in an operational energy saving program.
  - t. Expanding the energy management system to control all HVAC systems and exterior lighting where cost effective.
3. At the time of the last facilities review, the college identified the need for an energy audit and energy conservation program, and had proposed such a program. At the time of the May 2008 facilities review, no action had been taken.
  4. The college recently created the draft Facilities Master Plan. The college should ensure that a plan for energy conservation is addressed in the final Facilities Master Plan.

**Standard Implemented: Not Implemented**

April 2007 Rating: 0  
 January 2008 Rating: 0  
 July 2008 Rating: 0





**ACCJC Standard III-B: Physical Resources**  
**FCMAT Facilities Management Standard 8.3 - Facilities, Maintenance and Custodial - Energy-Efficient Design Criteria for New Construction and Modernization**

**Professional Standard:**

Cost-effective, energy-efficient design should be a top priority for all college construction projects.

**Sources and Documentation:**

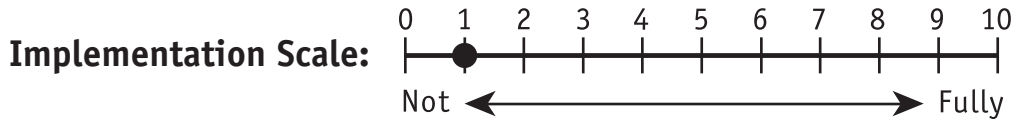
1. College design standards provided by BRJ & Associates Program Managers
2. Interviews with Director of Facilities Management and Planning, and Director of Maintenance and Operations

**Progress on Implementing the Recommendations of the Recovery Plan:**

1. There has been no change to this area since the last facilities review. The college still has not produced the recommended separate Energy Design Criteria section of the design standards. As recommended in the previous report, it should include standards for lighting, HVAC, controls, insulation and other envelope-related measures, orientation, generation, renewable sources of energy, and criteria for comparing and accepting energy efficient design. There are many sources for this type of information, such as the state's Collaborative for High Performance Schools (CHPS) program. There are also many sources outside the state. At the last facilities review, the college reported it was evaluating the CHPS program for adoption and implementation into its modernization and new construction program, but no action has occurred. A copy of CHPS' Best Practices Manual 2006 was provided to the review team. As of the May 2008 facilities review, no further action had been taken on the CHPS program. The college should attempt to incorporate the CHPS program into the final Facility Master Plan.
2. The college has not been able to complete the Learning Resource Center (LRC) and take beneficial occupancy. As a result, the college has not made progress to ensure that the new LRC building is part of the BACtalk system for energy efficiency to be maintained throughout the campus. The college is undergoing remediation and college staff estimates that the LRC should open in 18 months.
3. There has been no change to the college's progress in obtaining input from college stakeholders regarding energy efficiency. The college had a plan to include energy efficiency in project reviews at the Facility Committee meetings, but no action had occurred at the time of the site visit. The Facility Committee meetings were suspended after the last facilities review as the Facilities Master Planning Steering Committee took precedence to draft the Facilities Master Plan. The Facility Committee will begin holding meetings again in June 2008. The following stakeholders should be included at the Facility Committee meetings to provide input regarding energy efficiency:
  - a. Technology Department
  - b. Faculty
  - c. Administration
  - d. Shared governance member
  - e. Community member
  - f. Possible local energy municipality member

## Standard Implemented: Partially

April 2007 Rating: 1  
January 2008 Rating: 1  
July 2008 Rating: 1



## **ACCJC Standard III-B: Physical Resources**

### **FCMAT Facilities Management Standard 8.5 - Facilities Maintenance and Custodial - Adequate Maintenance Records and Inventories**

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#### **Professional Standard:**

Adequate maintenance records and reports are kept, including a complete inventory of supplies, materials, tools, and equipment. All employees required to perform maintenance on school sites are provided with adequate supplies, equipment, and training to perform maintenance tasks in a timely and professional manner. Included in the training is how to inventory supplies and equipment and when to order or replenish them.

#### **Sources and Documentation:**

1. Interviews with Director of Maintenance and Operations, and Director of Facilities Management and Planning
2. Site observation of actual inventory
3. Interviews with site staff
4. College provided documentation of proposed organizational charts

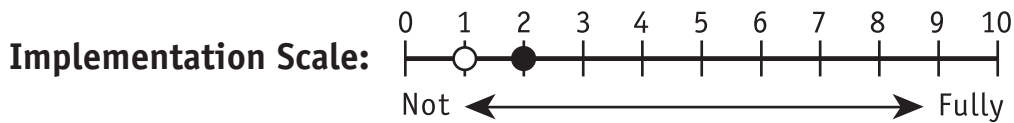
#### **Progress on Implementing the Recommendations of the Recovery Plan:**

1. During the last review, many custodial and grounds staff reported lacking adequate supplies and functioning equipment and staff was performing maintenance tasks without all necessary tools, materials, or equipment. This seriously hindered their ability to complete maintenance tasks in a timely and professional manner. During the May 2008 review, college staff reported that additional supplies and equipment were ordered and one new mower was purchased while repairs were made to the other equipment. In addition, an inventory control program was implemented by the Scheduler. The Scheduler took inventory of the tools and created tool kits that are assigned to each staff member for specific work orders by the Scheduler. The staff member who receives the tool kit must return it to the Scheduler. Even with the additional tools and supplies and the inventory control program in place, the department still struggles to keep adequate supplies and functioning equipment because the department budget has been decreasing every year. The budget for 2008-09 is proposed to be only 65% of the 2007-08 budget, which college staff reports was not adequate. The Director of Maintenance and Operations reports great difficulty even in obtaining the annual department budget.
2. The college has implemented a tool kit policy as detailed above. In addition, over summer 2008, the Maintenance and Operations Department plans to close five restrooms and convert the spaces to small supply closets. College staff reports that the supply closets will be inventoried every two weeks, and, at that time, the supplies will be replenished. As reported in the last facilities review, pilfering of supplies has been a past issue, so the college must continue to implement additional inventory control systems and maintain the established control systems to ensure materials are ordered as needed and equipment and tools are accounted for.

3. Since the last facility review, the college filled the position of Scheduler in the Maintenance and Operations Department. The Scheduler processes all work requests and assigns maintenance and operations staff to each project.
  
4. As of the May 2008 site visit, the college had not fully developed the work order system. College staff report they are awaiting an electronic scheduling software program to move the work order system fully online. Currently, the Scheduler processes and tracks all work orders through e-mail and paper copy. College staff reports it is a priority for the 2008-09 year to implement the electronic scheduling software program.

**Standard Implemented: Partially**

April 2007 Rating: 1  
 January 2008 Rating: 1  
 July 2008 Rating: 2



**ACCJC Standard III-B: Physical Resources**  
**FCMAT Facilities Management Standard 8.6 - Facilities Maintenance and Custodial - Procedures for Evaluation of Maintenance and Operations Staff**

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**Professional Standard:**

Procedures are in place for evaluating the work quality of maintenance and operations staff. The quality of the work performed by the maintenance and operations staff is evaluated on a regular basis using a board-adopted procedure that delineates the areas of evaluation and the types of work to be evaluated.

**Sources and Documentation:**

1. Board policy
2. Agreement between the college and the Federation of Classified Employees, Local 3486, CFT/AFT/AFL-CIO covering the period July 1, 2003, through June 30, 2006 (new agreements not provided as of the May 2008 site visit)
3. Job descriptions
4. Sample employee evaluations

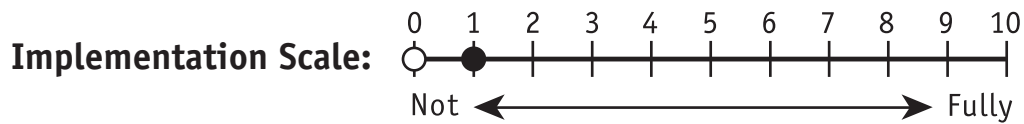
**Progress on Implementing the Recommendations of the Recovery Plan:**

1. The college has not developed a board policy to delineate requirements for the evaluation process since the last facilities review.
2. The college has not created an evaluation notification process so that mandatory evaluations are performed and submitted to Human Resources in a timely manner. At the last facilities review, the college reported a plan to complete all annual performance evaluations by November 2008.
3. Effective November 1, 2007, the college shifted most maintenance and operations personnel from the evening shift to the day shift to improve the work quality. College staff reported that there are three teams of custodial staff, with two supervisors for the two day teams and a lead for the four-person night team. College staff reported an increase in morale and job performance with the creation of the team model. The supervisors' role includes providing the preliminary evaluation for the custodial staff. The Director of Maintenance and Operations also evaluates each employee. The current evaluation period ended April 30, 2008, but at the May 2008 facilities review some evaluations were not complete. College staff reported that the director had not received all of the preliminary evaluations from the supervisors and therefore could not complete the process. The college reports that the evaluations are a top priority and will be completed.
4. As of the May 2008 facilities review, the college had not provided in-service training for supervisory personnel in the proper documentation of performance standards. The college should provide this training as soon as possible, especially if the supervisory personnel are completing employee evaluations. Once the supervisory personnel have received the training, the college administrator should continue to review the annual evaluations.

5. The college reports it has started the annual evaluation process and provided sample completed evaluations, but it is unclear if any written evaluation procedures exist. As of the last report, the college reported that it planned to distribute to each employee copies of his/her completed evaluation and feedback from the supervisor. The college should implement this process.

**Standard Implemented: Partially**

April 2007 Rating: 0  
January 2008 Rating: 0  
July 2008 Rating: 1



## **ACCJC Standard III-B: Physical Resources**

### **FCMAT Facilities Management Standard 8.7 - Facilities Maintenance and Custodial - Identification of Maintenance and Custodial Responsibilities**

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#### **Professional Standard:**

Major areas of custodial and maintenance responsibilities, and specific jobs to be performed, have been identified. Custodial and maintenance personnel have written job descriptions that delineate the major areas of responsibilities they will be expected to perform and on which they will be evaluated.

#### **Sources and Documentation:**

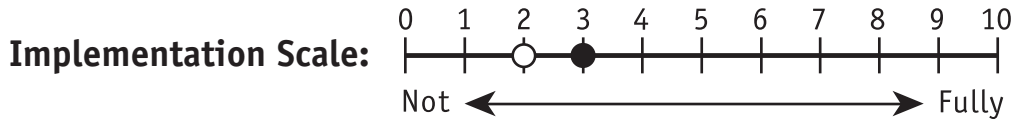
1. Board policy
2. Interview with Director of Maintenance and Operations, and Director of Facilities Management and Planning
3. Interview with site staff and custodial work leaders
4. Agreement between the college and Federation of Classified Employees, Local 3486 covering the period July 1, 2003, through June 30, 2006 (new agreements not provided as of the May 2008 site visit)
5. Job descriptions

#### **Progress on Implementing the Recommendations of the Recovery Plan:**

1. There has been no change to the process of reviewing of the duties and responsibilities of all positions. As reported in the last review, the review should occur at least once every two years, based on current board policy. No action has been taken to review the job duties and responsibilities or modify board policy if necessary.
2. The college has not implemented the recommended annual review with all classified staff of their job descriptions and anticipated duties so there is a clear understanding of what is expected of them and how they will be evaluated. At the time of the team's visit, college staff reported that for the custodial staff to keep the same pay schedule and responsibilities, college administrators changed the custodial staff job positions to utility maintenance workers, which allows more flexibility in job duties. The annual reviews of classified staff job descriptions and duties should be completed to ensure that staff are working under the appropriate job title.
3. The college administration should develop a procedure to discuss with staff which evaluation areas may be covered in the future, and how other duties will be assigned and approved as the annual evaluation process is established.
4. The college should continue to provide supplies and equipment to site staff to perform minor maintenance and operational tasks.

## Standard Implemented: Partially

April 2007 Rating: 2  
January 2008 Rating: 2  
July 2008 Rating: 3





**ACCJC Standard III-B: Physical Resources**  
**FCMAT Facilities Management Standard 8.8 - Facilities Maintenance and Custodial - Availability of Custodial Supplies and Equipment**

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**Professional Standard:**

Necessary staff, supplies, tools, and equipment for the proper care and cleaning of the college are available. To meet expectations, the college is adequately staffed, and staff is provided with the necessary supplies, tools, and equipment as well as the training associated with the proper use of such.

**Sources and Documentation:**

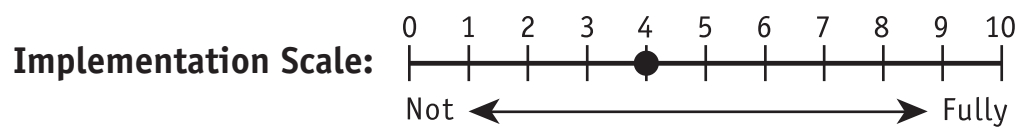
1. Interview with Director of Maintenance and Operations, and Director of Facilities Management and Planning
2. Interviews with site staff and custodial team leaders
3. Site observation of actual inventory

**Progress on Implementing the Recommendations of the Recovery Plan:**

1. The college should continue to provide adequate amounts of cleaning supplies and proper equipment to allow custodial staff to perform at an optimal level.
2. As of the May 2008 facilities review, the college had not yet developed minimum cleaning standards or provided in-service training that stresses the importance of meeting these minimum standards. The Director of Maintenance and Operations holds weekly meetings where safety and procedures briefings are discussed, but formal in-service training is needed.
3. As previously recommended, the college should add custodial staff for proper cleaning and maintenance of the campus as the college implements its recovery plan and increases enrollment.
4. As of the May 2008 facilities review, the college had not implemented training so all site personnel responsible for cleaning of the campus have a complete understanding of what chemicals and equipment must be used to maintain a clean and safe campus. The college reported a plan for hazardous materials training and appropriate job training for all staff in the last facilities review, but no training was provided. At the May 2008 facilities review, college staff identified the need to hold the job training, but no action has been taken to date.
5. The college has not specifically addressed evaluating the proper use of supplies and equipment to verify that operational personnel are following the training given to them. The evaluation process is being completed, but this area is not addressed. The training detailed above should be provided as soon as possible so that employees can be evaluated on the practices.

**Standard Implemented: Partially**

April 2007 Rating: 4  
January 2008 Rating: 4  
July 2008 Rating: 4



**ACCJC Standard III-B: Physical Resources**  
**FCMAT Facilities Management Standard 8.9 - Facilities Maintenance and Custodial - Implementation of a Preventive Maintenance Program**

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**Professional Standard:**

The college has an effective preventive maintenance program that is scheduled and followed by the maintenance staff. This program includes verification of the completion of work by the supervisor of the maintenance staff.

**Sources and Documentation:**

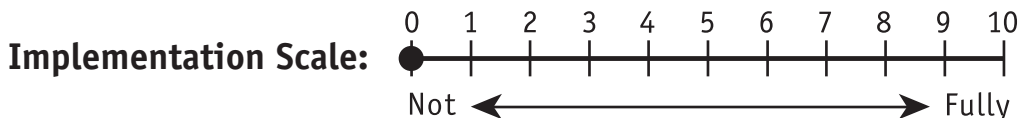
1. Board policy
2. Interview with Director of Maintenance and Operations, and Director of Facilities Management and Planning
3. Interview with site staff and custodial team leaders
4. Site observation

**Progress on Implementing the Recommendations of the Recovery Plan:**

1. As of the team's most recent site visit, the college has not developed a board policy to emphasize the need for a preventive maintenance program and to designate the funding source to pay for the program.
2. The college has not implemented the electronic work order system to date, but reports that it is a top priority for 2008-09. Once the system is implemented, the college reports that it will accommodate and schedule preventive maintenance on a routine basis.
3. The college still lacks any formal process for identifying preventive maintenance needs. The college has identified the need to establish a preventive maintenance program, but no action has been taken to date.

**Standard Implemented: Not Implemented**

April 2007 Rating: 0  
January 2008 Rating: 0  
July 2008 Rating: 0



## **ACCJC Standard III-B: Physical Resources**

### **FCMAT Facilities Management Standard 8.10 - Facilities Maintenance and Custodial - Adequate Repair and Supervision of Buildings**

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#### **Legal Standard:**

The Governing Board of the college provides clean and operable flush toilets for use of pupils. Toilet facilities are adequate and maintained. All buildings and grounds are maintained. [CCR Title §631, CCR Title 5 14030, EC 17576]

#### **Sources and Documentation:**

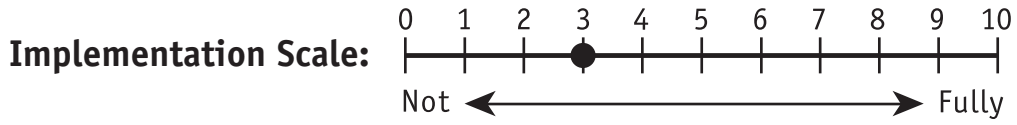
1. Board policy
2. Interview with Director of Maintenance and Operations, and Director of Facilities Management and Planning
3. Interview with site staff and custodial team leaders
4. Site observations verifying conditions of facilities

#### **Progress on Implementing the Recommendations of the Recovery Plan:**

1. The Governing Board/Special Trustee has not revised/expanded the board policy to delineate that all sanitation hazards are to be corrected immediately.
2. As of the May 2008 facilities review, the college had not developed a standard process so that any health and safety hazard can be reported immediately to the Maintenance and Operations Department without having to create a work order to authorize the work to be performed. Currently, all work orders are submitted through e-mail and prioritized by the Scheduler. The college reports that the Scheduler ensures that all health and safety hazard repairs are the most important priorities. The college has not completed the improvement of the work request process to date. Safety or health hazards should continue to be corrected immediately.
3. The college has not provided in-service training for all college operational personnel on site safety and cleanliness.
4. Supervisors should periodically review the progress that college operational personnel are making in keeping the campus clean and free from sanitation hazards in addition to the annual evaluation process.
5. The college has started the annual evaluation process, but the process was not complete at the time of the latest site visit.

## Standard Implemented: Partially

April 2007 Rating: 3  
January 2008 Rating: 3  
July 2008 Rating: 3



**ACCJC Standard III-B: Physical Resources**  
**FCMAT Facilities Management Standard 8.11 - Facilities Maintenance and Custodial - Planned Program Maintenance System**

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**Professional Standard:**

The college has implemented a planned program maintenance system that includes an inventory of all facilities and equipment that will require maintenance and replacement. Data should include purchase prices, anticipated life expectancies, anticipated replacement time lines, and budgetary resources necessary to maintain the facilities.

**Sources and Documentation:**

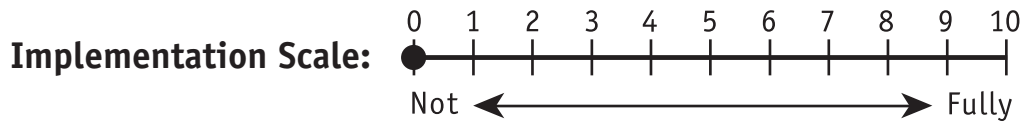
1. Board policy
2. Interview with Director of Maintenance and Operations, and Director of Facilities Management and Planning
3. Progress and budget cost reports dated October 31, 2006, from Measure CC Bond Program and State Capital Outlay Program (no new data provided as of the May 2008 visit)

**Progress on Implementing the Recommendations of the Recovery Plan:**

1. The college has not developed a board policy delineating the various aspects of the planned program maintenance system. The board policy should set a minimum annual funding level for the system.
2. As of the May 2008 facilities review, there was no change to this area. Facility infrastructure program projects were included in the master plan submitted to gain state funding, but no planned program maintenance system has been developed. The college needs to establish which maintenance projects receive first priority in a financial crisis.
3. The college has not established a separate financial account for the planned program maintenance system to date. The college reports that it plans to establish an annual budget requirement and separate accounting to track spending in each critical area, but communication problems with the Accounting Department could make this difficult.
4. As of the team's latest visit, the Director of Maintenance and Operations has not been able to obtain the funding to complete the needed repairs for the 2007-08 year and reports that the department will be unable to complete all needed repairs in 2008-09 with the proposed budget reduction of 35%.
5. The Director of Maintenance and Operations has a clear vision of the work that needs to be done at Compton CCD, but is limited in staff and budgetary resources. Excessive time is spent on paperwork to process routine, basic services. Time is spent in this area rather than planning and strategizing for the long term. Business or operations support should be provided to eliminate the need for the director to manage routine clerical duties.
6. No evidence was found of a calendar of projects to determine whether contracting out may be necessary to accomplish all of the maintenance projects.

## Standard Implemented: Not Implemented

April 2007 Rating: 0  
January 2008 Rating: 0  
July 2008 Rating: 0



**ACCJC Standard III-B: Physical Resources**  
**FCMAT Facilities Management Standard 8.12 - Facilities Maintenance and Custodial - Priorities for Assignment of Routine Repair Work Orders**

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**Professional Standard:**

The college has a documented process for assigning routine repair work orders on a priority basis.

**Sources and Documentation:**

1. Interview with the Director of Maintenance and Operations, the Director of Facilities Management and Planning, and the Scheduler
2. Interviews with site staff
3. Work orders submitted by e-mail

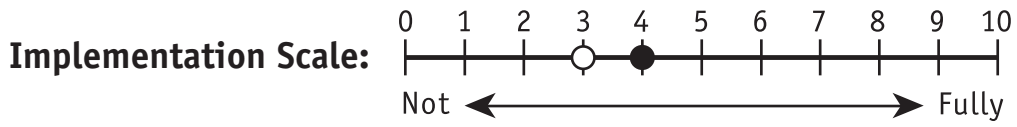
**Progress on Implementing the Recommendations of the Recovery Plan:**

1. The college has reorganized the maintenance and operations staff and filled the Scheduler position. In the last facilities review report, the college reported that the Scheduler would implement a computerized work order system to track all work orders submitted, outstanding, and completed. The college reports that the computerized work order system has not been employed because of time constraint issues on the Director of Maintenance and Operations, and the need for a new work order program. The director reports that one of the department's major goals for the 2008-09 fiscal year is to adopt an electronic maintenance software program that would allow the Scheduler to track work orders and other functions of the department. At the time of the review in May 2008, the Scheduler was still receiving and tracking work orders through e-mail and paper copy. The college staff reports that all work orders are prioritized, with health and safety repairs as the top priority.
2. The college should continue the current work order prioritizing process as long as health and safety repairs are the top priority and all employees are held to the priorities. When the college adopts an electronic maintenance software program, it should continue to address the health and safety work orders first.
3. Until a computerized work order system is in place, the college should continue the current distribution of work orders, with the Scheduler emphasizing the performance of work orders based on the priorities of health and safety.
4. The college should require work orders for all requested work, with emergency repairs as the only exception. Work orders should be issued for all other work so that time on task and materials inventory can be kept. Until the electronic maintenance software program can be implemented, the Maintenance and Operations Department should continue to require work orders to be submitted either by e-mail or paper copy to the Scheduler.



## Standard Implemented: Partially

April 2007 Rating: 3  
January 2008 Rating: 3  
July 2008 Rating: 4



## **ACCJC Standard III-B: Physical Resources**

### **FCMAT Facilities Management Standard 9.1 - Instructional Program Issues - Plan for Attractive Landscaped Facilities**

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#### **Professional Standard:**

The college has developed a plan for attractively landscaped facilities.

#### **Sources and Documentation:**

1. Interviews with staff
2. Campus inspection

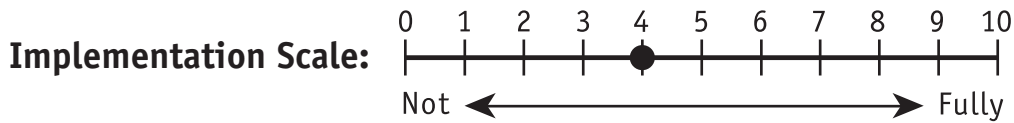
#### **Progress on Implementing the Recommendations of the Recovery Plan:**

1. The college has not developed the recommended plan to continue to improve campus landscaping for many reasons. Smaller grounds staffing and a lack of budget have not allowed the campus to improve campus landscaping with new plants and trees. The campus has also been maintaining the existing landscaping with the consideration that the draft Facilities Master Plan calls for an overhaul of the campus infrastructure and the demolition and construction of several structures, which are to be completed in the next few years. The college reports that the plans to improve campus landscaping are on hold until after the major construction has been completed. At this time, no landscaping plan has been created.
2. The college has not completed the recommended inventory/assessment to determine the landscaping conditions on campus. As part of the new employee evaluation process, each maintenance and operations staff member is to adopt either a campus building or grounds area. The college reports that this adoption program will help to identify landscaping areas that need to be addressed. The college currently has a draft Facilities Master Plan that will address some of the infrastructure problems, such as nonfunctioning sprinklers, but many replacements or upgrades to the infrastructure can not occur until a later phase of the draft Facilities Master Plan because of proposed construction and demolition. Based on site observation, the college is maintaining the existing landscaping on campus. Until the college is able to complete the upgrades to infrastructure detailed in the draft Facilities Master Plan, it should maintain the existing infrastructure and make any necessary minor repairs to keep it functional.
3. The college has not developed standards of desired landscaping with input from all stakeholders. The standards of desired landscaping should be addressed in the final Facilities Master Plan.
4. Once the college has conducted the inventory and assessment of the campus landscaping conditions, it should measure the findings against the standards of desired landscaping in the Facilities Master Plan to determine needs and deficiencies.
5. The college has not addressed the drainage problems that affect area residents. Some repairs are scheduled to be completed and in the interim, a sump pump helps mitigate the standing water. Major repairs to the infrastructure are not scheduled to occur until later phases in the draft Facilities Master Plan. The college should not make any necessary repairs to address the drainage issues until the replacement of campus infrastructure is completed.

6. A detailed grounds maintenance schedule is not in place. As of the latest facilities review, the campus reported that a plan for a schedule was being developed, but no action has been taken to date. As the schedule is developed, it is important to consider the fiscal impact associated with the implementation of this plan.

**Standard Implemented: Partially**

April 2007 Rating: 4  
January 2008 Rating: 4  
July 2008 Rating: 4



## ACCJC Standard III-B: Physical Resources

### FCMAT Facilities Management Standard 9.3 - Instructional Program Issues - Plan to Maintain Equality/Equity of District Facilities

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#### Legal Standard:

The Governing Board of any college shall maintain all of the campuses established by it with equal rights and privileges as far as possible. [EC 35293]

The college has developed and maintains a plan to ensure equality and equity of its facilities throughout the college.

#### Sources and Documentation:

1. Interviews with staff
2. Interviews with Director of Maintenance and Operations, and Director of Facilities Management and Planning
3. Inspection of campus
4. Draft of Facilities Master Plan dated May 20, 2008

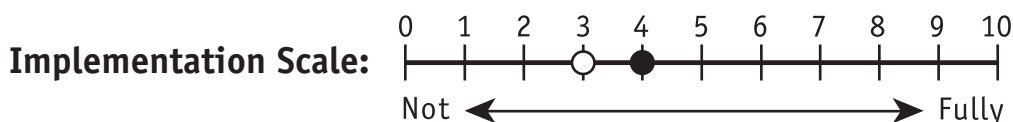
#### Progress on Implementing the Recommendations of the Recovery Plan:

1. A Facilities Master Plan was presented to the board in draft form on May 20, 2008. As of the May 2008 facilities review, the draft plan had not been finalized with time lines and cost estimates. The plan identifies building condition analysis, scheduled maintenance, and development options that can be modified to reflect the changing student enrollment numbers. As the college finalizes the Facilities Master Plan, it should ensure that standards with respect to the number and quality of facilities required to accommodate the delivery of instruction to students are addressed. As recommended in the last report, specific facility standards regarding priority needs should be identified as criteria that can be applied to requests that would include estimated costs, projected time frame, purpose, benefit, etc.

The college has divided the draft Facilities Master Plan into phases, but significant infrastructure upgrades and replacements will not occur until later phases because of the redevelopment of the campus footprint. The college must try to balance the priority projects with the long-range planning and development projects as it finalizes the Facilities Master Plan.

#### Standard Implemented: Partially

April 2007 Rating: 3  
January 2008 Rating: 3  
July 2008 Rating: 4



## **ACCJC Standard III-B: Physical Resources**

### **FCMAT Facilities Management Standard 10.2 - Community Use of Facilities - Compliance with Civic Center Act for Community Use**

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#### **Legal Standard:**

Education Code Section 38130 establishes terms and conditions of school facility use by community organizations, in the process requiring establishment of both “direct cost” and “fair market” rental rates, specifying what groups have which priorities and fee schedules.

#### **Sources and Documentation:**

1. Board policy
2. Internal accounting records
3. Facility Fee Schedule dated January 2002
4. Facilities Use Application/Permit

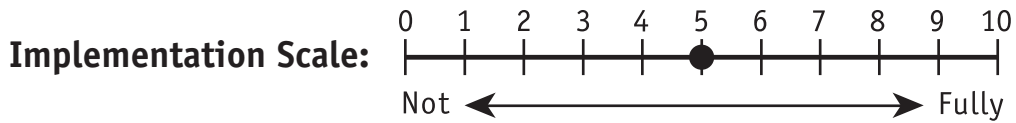
#### **Progress on Implementing the Recommendations of the Recovery Plan:**

1. The college has identified the need to complete a comprehensive study of allowable costs and charges for community use of facilities. The college reported that the study was scheduled to begin very soon, but staff had not identified when it would begin. College staff reported that one of the outcomes of the study will be to provide the real cost for renting the facility, including the cost of custodial staff to set up for and clean up after the event. This would allow for the standardization of the facility use fees charged, and would ensure that the Maintenance and Operations Department is not incurring any unbudgeted overtime costs for staff. The college business office provided the most current fee schedule, which has not been revised since January 2002 and is out of date. The college should complete the comprehensive study and adjust the fee schedule to accurately reflect the true cost of usage. Once the study is complete, the results should be presented to the Governing Board/Special Trustee for discussion and adoption.
2. The college has identified the need to develop a plan for school facility use, but no action had been taken as of the May 2008 facilities review. As the college staff creates the plan for school facility use, staff should include or address the following items:
  - a. The college should conduct a formal cost justification study on the pricing of community use of college facilities.
  - b. The college should analyze the administrative costs incurred for community use of facilities and ensure that the fee charged to users does not exceed that amount.
  - c. The college should consider revising rates periodically to accurately reflect current costs of providing custodial services, utilities, and other services and to avoid a cycle of encroachment followed by large increases.
  - d. Academic use is now coordinated primarily by individual verification. The college should consider developing a calendar of regular usage for each facility. When use of a particular facility is requested, the person responsible for issuing permits could instantly identify by type, date, and location which facilities are available to meet that need.
  - e. The college should periodically review internal controls to ensure that all funds generated by community use of facilities are remitted to the general fund and not the foundation.

- Community use of facilities is a function of the business office. Policy should require that the Director of Maintenance and Operations is informed of all events to allow adequate time to schedule custodial staff for the event.

**Standard Implemented: Partially**

April 2007 Rating: 5  
January 2008 Rating: 5  
July 2008 Rating: 5



## Accrediting Commission for Community and Junior Colleges (ACCJC) Standard III: Resources

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*The institution effectively uses its human, physical, technology, and financial resources to achieve its broad educational purposes, including stated student learning outcomes, and to improve institutional effectiveness.*

- C. Technology Resources – Technology resources are used to support student learning programs and services and to improve institutional effectiveness. Technology planning is integrated with institutional planning.**
1. The institution assures that any technology support it provides is designed to meet the needs of learning, teaching, college-wide communications, research, and operational systems.
    - a. *Technology services, professional support, facilities, hardware, and software are designed to enhance the operation and effectiveness of the institution.*
    - b. *The institution provides quality training in the effective application of its information technology to students and personnel.*
    - c. *The institution systematically plans, acquires, maintains, and upgrades or replaces technology infrastructure and equipment to meet institutional needs.*
    - d. *The distribution and utilization of technology resources support the development, maintenance, and enhancement of its programs and services.*
  2. Technology planning is integrated with institutional planning. The institution systematically assesses the effective use of technology resources and uses the results of evaluation as the basis for improvement.





<i>Accrediting Commission for Community and Junior Colleges (ACCJC) Standard III: Resources</i>		April 2007 Rating	Jan. 2008 Rating	July 2008 Rating
<b>C. Technology Resources</b>				
<b>Standard to be Addressed</b>				
<b>Financial Management Standards -- Management Information Systems</b>				
17.1	<b>Management information systems support users with information that is relevant, timely and accurate. Standards are imposed to ensure the maintainability, compatibility, and supportability of the various systems.</b>	2	2	2
17.2	Automated systems are used to improve accuracy, timeliness, and efficiency of financial and reporting systems. Employees receive appropriate training and supervision in the operation of the systems.	2		
17.3	Selection of information systems technology conforms to legal procedures specified in the Public Contract Code. Additionally, there is a process to ensure that needs analyses, cost/benefit analyses, and financing plans are in place prior to commitment of resources. The process facilitates involvement by users, as well as information services staff, to ensure that training and support needs and costs are considered in the acquisition process.	5		
17.4	Major technology systems are supported by implementation and training plans. The cost of implementation and training is included with other support costs in the cost/benefit analyses and financing plans supporting the acquisition of technology systems.	2		
17.5	Access to administrative systems is reliable and secure. Communications pathways that connect users with administrative systems are as free of single points-of-failure as possible, and are highly fault tolerant.	8		

The standards in bold text are the identified subset of standards for ongoing reviews.

<b>ACCJC Standard III-C Standard to be Addressed</b>		April 2007 Rating	Jan. 2008 Rating	July 2008 Rating
17.6	Hardware and software purchases conform to existing technology standards. Standards for copiers, printers, fax machines, networking equipment, and all other technology assets are defined and enforced to increase standardization and decrease support costs. Requisitions that contain hardware or software items are forwarded to the technology department for approval prior to being converted to purchase orders. Requisitions for non-standard technology items are approved by the Management Information Systems Division unless the user is informed that district support for non-standard items will not be available.	4		
<b>17.7</b>	<b>Computers are replaced on a schedule based on hardware specifications.</b>	<b>1</b>	<b>1</b>	<b>1</b>
17.8	Network standards, such as the following, are being followed by the college: 1) A stable firewall is used with separate DMZ and “inside” network; 2) the college follows EIA/TIA 568-B for all network cabling; 3) A Web content filter is used for all outbound Internet access; 4) The college uses an e-mail spam filter for all inbound e-mail; 5) Administrative and academic network traffic is kept separate; 6) Switches and network hubs are installed, and the college ensures that switches support certain features; 7) Login banners are added to all network elements that will support them; 8) The college has transitioned from all non-TCP/IP protocols; and 9) The college uses a VPN for any access to the internal network from the outside.	6		
<b>17.9</b>	<b>Administrative system users are adequately trained in the use of administrative systems and receive periodic training updates to ensure that they remain aware of system changes and capabilities.</b>	<b>1</b>	<b>2</b>	<b>2</b>
17.10	Business office computers, computer screens, operating systems and software applications used for administrative system access are kept up to date.	8		

The standards in bold text are the identified subset of standards for ongoing reviews.

## ACCJC Standard III-C: Technology Resources

### FCMAT Financial Management Standard 17.1 – Management Information Systems

#### **Professional Standard:**

Management information systems support users with information that is relevant, timely and accurate. Standards are imposed to ensure the maintainability, compatibility, and supportability of the various systems.

#### **Sources and Documentation:**

1. Interviews with staff members from the El Camino and Compton community colleges, and the Los Angeles County Office of Education

#### **Progress on Implementing the Recommendations of the Recovery Plan:**

1. With the exception of historical student data maintenance, all current administrative information processing is performed on systems hosted by the El Camino Community College. This hosting arrangement is logical because it relieves Compton CCD staff of a variety of tasks associated with hardware and software maintenance.

The current distribution of core administrative information systems used by Compton CCD users is outlined below.

<u>Host Campus</u>	<u>System</u>	<u>Component/Module</u>
El Camino CC	Colleague	Student
	Colleague	General Ledger
	Colleague	HR/Personnel
	Colleague	AR and Cash Receipts
	Colleague	Purchasing
	Colleague	Demographics
	Colleague	Facilities
	Colleague	Scheduling
	Colleague	Workflow
Compton CCD	Colleague	Student (historical only)
Los Angeles COE	PeopleSoft	Payroll
	HRS	Human Resources (HRS)
	HRS	Position Control

Use of the LACOE-based People-Soft and HRS systems is limited to functions required to calculate payroll and benefits.

In addition to the use of Colleague, Compton CCD staff members make use of the LACOE-based PeopleSoft and Human Resource System (HRS) for production of payroll and benefits. The use of the LACOE systems is required for fiduciary oversight and fiscal monitoring. However, use of the LACOE and Colleague systems results in a situation where the district cannot take advantage of system integration features. For example, duplication of data input, reporting, and general ledger maintenance among the three systems (Colleague, PeopleSoft, and HRS) adds complexity and makes it impossible to use any system to its full potential.

- Four Compton CCD business office staff members who were temporarily relocated to the El Camino campus for training are scheduled to return to the Compton CCD campus on July 21, 2008. These positions consist of 2 FTE in Purchasing and 2 FTE in Accounts Payable.

The relocation of these four staff members to the Compton campus should result in improved daily operational communication and control. The transfer will leave only four remaining Compton CCD accounting staff members whose primary work location will continue to be the El Camino campus. These four staff members should be brought back to the Compton CCD campus as soon as possible. Job-alike training between cohorts at the two campuses should continue indefinitely as needed.

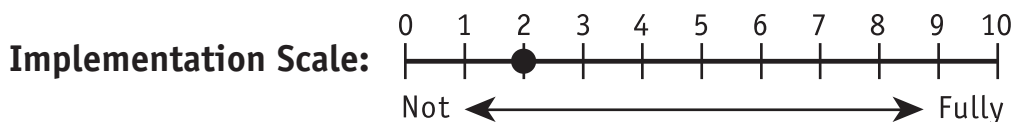
- The Compton CCD Network Manager works on an annual contract and has primary responsibility for all administrative and supervisory tasks associated with technology. The Network Manager collaborates with El Camino technology administrators as necessary to maintain good communications and improve technology operations between the two campuses. Several other Compton CCD technology positions need to be evaluated to determine if functions, duties or workload changes are needed.

The Network Manager position should be reclassified as a Technology Manager, with sole responsibility for all aspects of administrative and instructional technology at the Compton CCD. Additionally, the Technology Manager should be classified as a permanent employee rather than working on an annual contract. Some of the Technology Manager's former network management responsibilities should be transferred to another Technology Department staff member. These changes should improve stability in the department.

The Technology Manager should be assigned responsibility for evaluating the functions and duties of all positions in the Compton CCD Technology Department to determine if reorganization is necessary.

### Standard Implemented: Partially

April 2007 Rating: 2  
 January 2008 Rating: 2  
 July 2008 Rating: 2



## ACCJC Standard III-C: Technology Resources

### FCMAT Financial Management Standard 17.7 – Management Information Systems

#### Professional Standard:

Computers are replaced on a schedule based on hardware specifications.

#### Sources and Documentation:

1. Interviews with staff members from the El Camino and Compton Community Colleges.

#### Progress on Implementing the Recommendations of the Recovery Plan:

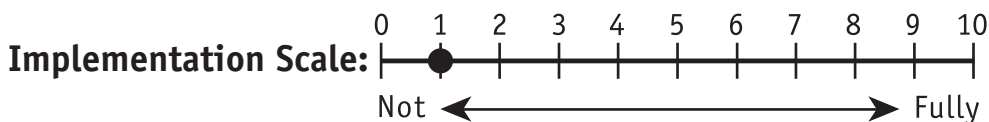
1. The district lacks a funded equipment replacement schedule. Many users are still assigned obsolete, underpowered equipment to perform their daily assigned duties. These computers cannot run updated operating systems that would offer increased productivity. Many systems have only 128 Mb (megabytes) of random access memory (RAM). Although technology support staff members have created an equipment replacement plan, the plan lacks funding. A plan should be implemented that identifies and schedules the replacement of obsolete computer equipment. A five-year replacement plan is a generally accepted industry standard. This would call for replacement of 20% of the district's computer equipment every year.

Although the Technology Department has a renewed focus on supporting classroom technology, approximately 30% of faculty members do not have a computer even though 200 new computers have been sitting in the warehouse for the past 18 months. Most computers in the school computer labs are antiquated, resulting in a higher than normal total cost of ownership. Despite infrastructure and connectivity problems in the classrooms, most of the computers likely could be refreshed by the new systems waiting in the warehouse.

The 200 computers currently sitting in the warehouse should immediately be retrieved, imaged, and distributed. A needs assessment should be conducted to determine how the computers could be most effectively distributed among Compton CC staff and faculty. The assessment should take into consideration every computer lab on the campus to determine what infrastructure and connectivity improvements are necessary. The majority of the new computers should be distributed to faculty rather than to classified staff.

#### Standard Implemented: Partially

April 2007 Rating: 1  
January 2008 Rating: 1  
July 2008 Rating: 1



## ACCJC Standard III-C: Technology Resources

### FCMAT Financial Management Standard 17.9 – Management Information Systems

#### Professional Standard:

Administrative system users are adequately trained in the use of administrative systems and receive periodic training updates to ensure that they remain aware of system changes and capabilities.

#### Sources and Documentation:

1. Interviews with staff members from the El Camino and Compton Community Colleges.

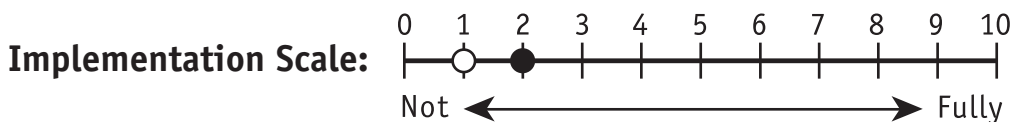
#### Progress on Implementing the Recommendations of the Recovery Plan:

1. There was little or no formal training in the use of the Colleague information system. Most user training has been conducted on the job for all administrative systems by working alongside cohorts at El Camino Community College. Several Compton CCD business office staff members expressed a desire for additional training in the use of the Colleague information system and general office applications such as e-mail.

A detailed training needs assessment of all Compton CCD and Compton Center information system users should be conducted regarding the Colleague, general office application, and LACOE-based systems. This should be followed by the development of a training program that addresses those needs. Training opportunities should include the basic graphical user interface, office applications, and use of the Colleague and LACOE-hosted systems. Training sessions should also entail refresher as well as new user sessions.

#### Standard Implemented: Partially

April 2007 Rating: 1  
January 2008 Rating: 2  
July 2008 Rating: 2



# Accrediting Commission for Community and Junior Colleges (ACCJC) Standard III: Resources

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*The institution effectively uses its human, physical, technology, and financial resources to achieve its broad educational purposes, including stated student learning outcomes, and to improve institutional effectiveness.*

**D. Financial Resources – Financial resources are sufficient to support student learning programs and services and to improve institutional effectiveness. The distribution of resources supports the development, maintenance, and enhancement of programs and services. The institution plans and manages its financial affairs with integrity and in a manner that ensures financial stability. The level of financial resources provides a reasonable expectation of both short-term and long-term financial solvency. Financial resources planning is integrated with institutional planning.**

1. The institution relies upon its mission and goals as the foundation for financial planning.
  - a. *Financial planning is integrated with and supports all institutional planning.*
  - b. *Institutional planning reflects realistic assessment of financial resource availability, development of financial resources, partnerships, and expenditure requirements.*
  - c. *When making short-range financial plans, the institution considers its long-range financial priorities to assure financial stability. The institution clearly identifies and plans for payment of liabilities and future obligations.*
  - d. *The institution clearly defines and follows its guidelines and processes for financial planning and budget development, with all constituencies having appropriate opportunities to participate in the development of institutional plans and budgets.*
  
2. To assure the financial integrity of the institution and responsible use of financial resources, the financial management system has appropriate control mechanisms and widely disseminates dependable and timely information for sound financial decision making.
  - a. *Financial documents, including the budget and independent audit, reflect appropriate allocation and use of financial resources to support student learning programs and services. Institutional responses to external audit findings are comprehensive, timely, and communicated appropriately.*
  - b. *Appropriate financial information is provided throughout the institution.*
  - c. *The institution has sufficient cash flow and reserves to maintain stability, strategies for appropriate risk management, and realistic plans to meet financial emergencies and unforeseen occurrences.*
  - d. *The institution practices effective oversight of finances, including management of financial aid, grants, externally funded programs, contractual relationships, auxiliary organizations or foundations, and institutional investments and asset.*
  - e. *All financial resources, including those from auxiliary activities, fund-raising efforts, and grants are used with integrity in a manner consistent with the mission and goals of the institution.*
  - f. *Contractual agreements with external entities are consistent with the mission and goals of the institution, governed by institutional policies, and contain appropriate provisions to maintain the integrity of the institution.*

- g. The institution regularly evaluates its financial management processes, and the results of the evaluation are used to improve financial management systems.*
- 3. The institution systematically assesses the effective use of financial resources and uses the results of the evaluation as the basis for improvement.*



<i>Accrediting Commission for Community and Junior Colleges (ACCJC) Standard III: Resources</i>		April 2007 Rating	Jan. 2008 Rating	July 2008 Rating
<b>D. Financial Resources</b>				
<b>Standard to be Addressed</b>				
<b>Financial Management Standards -- Internal Control Environment</b>				
<b>1.1</b>	<b>Integrity and ethical behavior are the product of the college's ethical and behavioral standards, how they are communicated, and how they are reinforced in practice. All management-level personnel exhibit high integrity and ethical values in carrying out their responsibilities and directing the work of others.</b>	<b>1</b>	<b>2</b>	<b>4</b>
<b>1.4</b>	<b>The organizational structure clearly identifies key areas of authority and responsibility. Reporting lines are clearly identified and logical within each area.</b>	<b>1</b>	<b>2</b>	<b>2</b>
1.5	Management has the ability to evaluate job requirements and match the requirements to the employee's skills.	2		
1.6	The college has procedures for recruiting capable financial management and staff and hiring competent people.	2		
<b>1.7</b>	<b>All employees are evaluated on performance at least annually by a management-level employee knowledgeable about their work product. The evaluation criteria are clearly communicated and, to the extent possible, measurable. The evaluation includes a follow-up on prior performance issues and establishes goals to improve future performance.</b>	<b>3</b>	<b>4</b>	<b>4</b>
<b>1.8</b>	<b>Top management sets the tone and establishes the environment for reliable financial reporting. Therefore, appropriate measures are implemented to discourage and detect fraud.</b>	<b>0</b>	<b>0</b>	<b>4</b>

The standards in bold text are the identified subset of standards for ongoing reviews.

<b>ACCJC Standard III-D Standard to be Addressed</b>		April 2007 Rating	Jan. 2008 Rating	July 2008 Rating
<b>Financial Management Standards -- Inter- and Intra-Departmental Communications</b>				
2.1	<b>The business and operations departments communicate regularly with internal staff and all user departments on their responsibilities for accounting procedures and internal controls. The communications are written whenever possible, particularly when they (1) affect many staff or user groups, (2) are issues of high importance, or (3) reflect a change in procedures. Procedural manuals are necessary for the communication of responsibilities. The departments also are responsive to user department needs, thus encouraging a free exchange of information between the two (excluding items of a confidential nature).</b>	1	2	4
2.2	<b>The financial departments communicate regularly with the Governing Board and community on the status of college finances and the financial impact of proposed expenditure decisions. The communications are written whenever possible, particularly when they affect many community members, are issues of high importance to the college and board, or reflect a change in policy.</b>	1	2	2
2.3	The Governing Board is engaged in understanding globally the fiscal status of the college, both current and as projected. The board prioritizes college fiscal issues among the top discussion items.	1		
2.4	<b>The college has formal policies and procedures that provide a mechanism for individuals to report illegal acts, establish to whom illegal acts should be reported, and provide a formal investigative process.</b>	1	1	3
2.5	<b>Documents developed by the financial departments for distribution to the board, staff and community are easily understood.</b>	3	3	3

The standards in bold text are the identified subset of standards for ongoing reviews.

<b>ACCJC Standard III-D Standard to be Addressed</b>		April 2007 Rating	Jan. 2008 Rating	July 2008 Rating
<b>Financial Management Standards -- Staff Professional Development</b>				
3.1	The college has developed and uses a professional development plan for training business staff. The plan includes the input of business office supervisors and managers, and, at a minimum, identifies appropriate programs office-wide. At best, each individual staff and management employee has a plan designed to meet their individual professional development needs.	2		
3.2	The college develops and uses a professional development plan for the in-service training of department staff by business staff on relevant business procedures and internal controls. The plan includes the input of the business office and the departments/divisions and is updated annually.	0		
<b>Financial Management Standards -- Internal Audit</b>				
<b>4.1</b>	<b>The Governing Board has adopted policies establishing an internal audit function that reports directly to the president or Governing Board.</b>	<b>0</b>	<b>0</b>	<b>4</b>
4.2	Internal audit functions are designed into the organizational structure of the college. These functions include periodic internal audits of areas at high risk for non-compliance with laws and regulations and/or at high risk for monetary loss.	0		
4.3	Qualified staff members are assigned to conduct internal audits and are supervised by an independent body.	0		
<b>4.4</b>	<b>Internal audit findings are reported on a timely basis to the Governing Board and administration, as appropriate. Management then takes timely action to follow up and resolve audit findings.</b>	<b>0</b>	<b>0</b>	<b>1</b>

The standards in bold text are the identified subset of standards for ongoing reviews.

ACCJC Standard III-D Standard to be Addressed		April 2007 Rating	Jan. 2008 Rating	July 2008 Rating
<b>Financial Management Standards -- Budget Development Process (Policy)</b>				
5.1	<b>The budget development process requires a policy-oriented focus by the Governing Board to develop an expenditure plan that fulfills the college's goals and objectives. The Governing Board focuses on expenditure standards and formulas that meet the college's goals. The Governing Board avoids specific line-item focus, but directs staff to design an entire expenditure plan focusing on student and college needs.</b>	1	1	2
5.2	The budget development process includes input from staff, administrators, board and community.	1		
5.3	<b>Policies and regulations exist regarding budget development and monitoring.</b>	1	1	0
5.4	<b>The college has a clear process to analyze resources and allocations to ensure that they are aligned with strategic planning objectives and that the budget reflects college priorities.</b>	0	0	1
5.5	The college has policies to facilitate development of a budget that is understandable, meaningful, reflective of college priorities, and balanced in terms of revenues and expenditures.	0		
5.6	<b>Categorical funds are an integral part of the budget process and have been integrated into the entire budget development. The revenues and expenditures for categorical programs are reviewed and evaluated in the same manner as unrestricted General Fund revenues and expenditures. Categorical program development is integrated with the college's goals and used to respond to specific college student needs to support student learning outcomes.</b>	0	0	1

The standards in bold text are the identified subset of standards for ongoing reviews.

<b>ACCJC Standard III-D Standard to be Addressed</b>		April 2007 Rating	Jan. 2008 Rating	July 2008 Rating
5.7	The college has the ability to accurately reflect its net ending balance throughout the budget monitoring process. The 311A and 311Q reports provide valid updates of the college's net ending balance. The college has tools and processes that ensure that there is an early warning of any discrepancies between the budget projections and actual revenues or expenditures.	0		
5.8	The college utilizes formulas for allocating funds to departments/divisions. This can include staffing ratios, supply allocations, etc. These formulas are in line with the board's goals and directions, and are not overridden.	0		
<b>Financial Management Standards -- Budget Development Process (Technical)</b>				
6.1	<b>The Budget Office has a technical process to build the preliminary budget amounts that includes: the forecast of revenues, the verification and projection of expenditures, the identification of known carryovers and accruals and the inclusion of concluded expenditure plans. The process clearly identifies the sources and uses of funds. Reasonable FTES and COLA estimates are used when planning and budgeting. The same process is applied to all funds.</b>	0	1	1
6.2	An adopted budget calendar exists that meets legal and management requirements. At a minimum the calendar identifies statutory due dates and major budget development activities.	0		
6.3	Standardized budget worksheets are used to communicate budget requests, budget allocations, formulas applied and guidelines.	0		
<b>Financial Management – Budget Adoption, Reporting, and Audits</b>				
7.1	The college adopts its annual budget and files it with the Chancellor's Office within the statutory time lines.	0		

The standards in bold text are the identified subset of standards for ongoing reviews.

<b>ACCJC Standard III-D Standard to be Addressed</b>		April 2007 Rating	Jan. 2008 Rating	July 2008 Rating
7.3	The college has procedures that provide for the development and submission of a college budget and interim reports that adhere to criteria and standards and are approved by the Chancellor's Office.	5		
7.4	The college completes and files its interim budget reports within the statutory deadlines.	2		
<b>7.5</b>	<b>The quarterly fiscal status reports show an accurate projection of the ending fund balance. Material differences are presented to the Governing Board with detailed explanations.</b>	<b>3</b>	<b>3</b>	<b>1</b>
7.6	The college has complied with the Governmental Accounting Standard No. 34 (GASB 34) which requires the college to develop policies and procedures and report in the annual financial reports on the modified accrual basis of accounting and the accrual basis of accounting.	8		
7.7	The college has arranged for an annual audit (single audit) within the deadlines established.	8		
<b>Financial Management Standards -- Budget Monitoring</b>				
8.1	All purchase orders are properly encumbered against the budget until payment.	1		
<b>8.2</b>	<b>There are budget monitoring controls, such as periodic reports, to alert department and site managers of the potential for over-expenditure of budgeted amounts. Revenue and expenditures are forecast and verified monthly.</b>	<b>0</b>	<b>3</b>	<b>3</b>
8.4	Budget revisions are made on a regular basis and occur per established procedures, and are approved by the Governing Board.	0		
<b>8.5</b>	<b>The college uses an effective position control system that tracks personnel allocations and expenditures. The position control system effectively establishes checks and balances between personnel decisions and budgeted appropriations.</b>	<b>1</b>	<b>1</b>	<b>1</b>

The standards in bold text are the identified subset of standards for ongoing reviews.

<b>ACCJC Standard III-D Standard to be Addressed</b>		April 2007 Rating	Jan. 2008 Rating	July 2008 Rating
<b>Financial Management Standards -- Budget Communications</b>				
9.1	The college budget is a clear manifestation of college policies and is presented in a manner that facilitates communication of those policies.	0		
<b>9.2</b>	<b>The college budget clearly identifies one-time sources and uses of funds.</b>	<b>0</b>	<b>1</b>	<b>1</b>
<b>Financial Management Standards -- Attendance Accounting</b>				
<b>11.1</b>	<b>An accurate record of enrollment and attendance is maintained.</b>	<b>5</b>	<b>5</b>	<b>5</b>
11.3	Students are enrolled and attendance reports are completed by staff and entered into the student information system in an efficient, accurate, and timely manner.	3		
<b>11.5</b>	<b>Procedures are in place to ensure that enrollment and attendance accounting and reporting requirements are met for weekly student contact hours (WSCH), daily student contact hours (DSCH), credit, non-credit, high school concurrent enrollment, and positive attendance.</b>	<b>3</b>	<b>5</b>	<b>5</b>
<b>Financial Management Standards -- Accounting, Purchasing and Warehousing</b>				
12.1	The college adheres to the Budget and Accounting Manual (BAM) and Generally Accepted Accounting Principles (GAAP) as required by Education Code Section 84030.	1		
<b>12.2</b>	<b>The college timely and accurately records all information regarding financial activity (unrestricted and restricted) for all programs. Generally Accepted Accounting Principles (GAAP) requires that in order for financial reporting to serve the needs of the users, it must be reliable and timely. Therefore, the timely and accurate recording of the underlying transactions (revenue and expenditures) is an essential function of the college's financial management.</b>	<b>2</b>	<b>3</b>	<b>3</b>

The standards in bold text are the identified subset of standards for ongoing reviews.

<b>ACCJC Standard III-D Standard to be Addressed</b>		April 2007 Rating	Jan. 2008 Rating	July 2008 Rating
12.3	<b>The college forecasts its revenues and expenditures and verifies those projections monthly to adequately manage its cash. In addition, the college reconciles its cash to bank statements and reports from the county treasurer monthly. Standard accounting practice dictates that, in order to ensure that all cash receipts are deposited timely and recorded properly, cash is reconciled to bank statements monthly.</b>	2	2	2
12.4	<b>The college's payroll procedures are in compliance with established requirements. (Education Code Section 85241) Standard accounting practice dictates that the college implements procedures to ensure the timely and accurate processing of payroll.</b>	1	5	5
12.5	<b>Standard accounting practice dictates that the accounting work is properly supervised and work reviewed in order to ensure that transactions are recorded timely and accurately, and allow the preparation of periodic financial statements.</b>	1	2	2
12.6	Categorical programs, either through specific program requirements or through general cost principals, require that entities receiving such funds must have an adequate system to account for those revenues and related expenditures.	2		
12.7	<b>Generally accepted accounting practices dictate that, in order to ensure accurate recording of transactions, the college have standard procedures for closing its books at fiscal year-end. The college's year-end closing procedures should comply with the procedures and requirements established by the Chancellor's Office.</b>	1	1	0

The standards in bold text are the identified subset of standards for ongoing reviews.



<b>ACCJC Standard III-D Standard to be Addressed</b>		April 2007 Rating	Jan. 2008 Rating	July 2008 Rating
12.8	The college complies with the bidding requirements of Public Contract Code Section 20111. Standard accounting practice dictates that the college have adequate purchasing and warehousing procedures to ensure that only properly authorized purchases are made, that authorized purchases are made consistent with college policies and management direction, that inventories are safeguarded, and that purchases and inventories are timely and accurately recorded.	4		
<b>12.9</b>	<b>The college has documented procedures for the receipt, expenditure and monitoring of all construction-related activities. Included in the procedures are specific requirements for the approval and payment of all construction-related expenditures.</b>	<b>2</b>	<b>2</b>	<b>2</b>
12.10	The accounting system has an appropriate level of controls to prevent and detect errors and irregularities.	1		
12.11	The college has implemented an account code structure that enables the standard financial reporting required by the state and ensures that the college is in compliance with guidelines.	4		
<b>Financial Management Standards – Student Body Funds</b>				
<b>13.1</b>	<b>The Governing Board adopts policies and procedures to ensure compliance regarding how student body organizations deposit, invest, spend, raise and audit student body funds.</b>	<b>3</b>	<b>3</b>	<b>4</b>
13.2	Proper supervision of all student body funds is provided by the Board. This includes establishing responsibilities for managing and overseeing the activities and funds of student organizations, including providing procedures for the proper handling, recording and reporting of revenues and expenditures.	2		

The standards in bold text are the identified subset of standards for ongoing reviews.

<b>ACCJC Standard III-D Standard to be Addressed</b>		April 2007 Rating	Jan. 2008 Rating	July 2008 Rating
13.3	The college provides training and guidance to college personnel and students on the policies and procedures governing student body accounts.	1		
<b>13.4</b>	<b>Monitoring is performed by the Business Services Office to provide adequate oversight of student funds and to ensure proper handling and reporting.</b>	<b>1</b>	<b>1</b>	<b>2</b>
<b>Financial Management Standards -- Multi Year Financial Projections</b>				
<b>14.2</b>	<b>The college annually provides a multiyear revenue and expenditure projection for all funds of the college. Projected fund balance reserves are disclosed. The assumptions for revenues and expenditures are reasonable and supportable.</b>	<b>0</b>	<b>0</b>	<b>0</b>
14.3	Multiyear financial projections are prepared for use in the decision-making process, especially whenever a significant multiyear expenditure commitment is contemplated.	0		
14.4	Assumptions used in developing multiyear projections are based on the most accurate information available.	0		
<b>Financial Management Standards -- Long-Term Debt Obligations</b>				
<b>15.1</b>	<b>The college complies with public disclosure laws of fiscal obligations related to health and welfare benefits for retirees, self-insured workers' compensation, and collective bargaining agreements.</b>	<b>0</b>	<b>5</b>	<b>5</b>
15.2	When authorized, the college uses only non-voter approved, long-term financing such as certificates of participation (COPS), revenue bonds, and lease-purchase agreements (capital leases) to address capital needs, and not operations. Further, the general fund is used to finance current school operations, and in general is not used to pay for these types of long-term commitments.	8		

The standards in bold text are the identified subset of standards for ongoing reviews.

<b>ACCJC Standard III-D Standard to be Addressed</b>		April 2007 Rating	Jan. 2008 Rating	July 2008 Rating
15.3	For long-term liabilities/debt service, the college prepares debt service schedules and identifies the dedicated funding sources to make those debt service payments. The college projects cash receipts from the dedicated revenue sources to ensure that it will have sufficient funds to make periodic debt payments. Cash flow projections are continually monitored to ensure that any variances from the projections are identified as early as possible to allow the district sufficient time to take appropriate measures or identify alternative funding sources.	8		
15.4	The college has developed and uses a financial plan to ensure that ongoing unfunded liabilities from employee benefits are recognized as a liability of the college. A plan has been established for funding retiree health benefit costs as the obligations are incurred.	0		
<b>Financial Management Standards -- Impact of Collective Bargaining</b>				
16.1	<b>The college has developed parameters and guidelines for collective bargaining that ensure that the collective bargaining agreement is not an impediment to efficiency of college operations. At least annually, collective bargaining agreements are analyzed by management to identify those characteristics that are impediments to effective delivery of college operations. The college identifies those issues for consideration by the Governing Board. The Governing Board, in the development of its guidelines for collective bargaining, considers the impact on college operations of current collective bargaining language, and proposes amendments to contract language as appropriate to ensure effective and efficient college delivery. Governing Board parameters are provided in a confidential environment, reflective of the obligations of a closed executive board session.</b>	8	8	8

The standards in bold text are the identified subset of standards for ongoing reviews.

<b>ACCJC Standard III-D Standard to be Addressed</b>		April 2007 Rating	Jan. 2008 Rating	July 2008 Rating
16.2	The Governing Board ensures that any guideline developed for collective bargaining is fiscally aligned with the instructional and fiscal goals on a multiyear basis. The President ensures that the college has a formal process in which collective bargaining multiyear costs are identified for the Governing Board, and those expenditure changes are identified and implemented as necessary prior to any imposition of new collective bargaining obligations. The Governing Board ensures that costs and projected college revenues and expenditures are validated on a multiyear basis so that the fiscal issues faced by the college are not worsened by bargaining settlements. The public is informed about budget reductions that will be required for a bargaining agreement prior to any contract acceptance by the Governing Board. The public is notified of the provisions of the final proposed bargaining settlement and is provided with an opportunity to comment.	0		
<b>Financial Management Standards -- Maintenance and Operations Fiscal Controls</b>				
18.1	<b>The college has a comprehensive risk-management program that monitors the various aspects of risk management including workers' compensation, property and liability insurance, and maintains the financial well being of the college.</b>	4	5	6
18.2	<b>The college has a work order system that tracks all maintenance requests, the worker assigned, dates of completion, labor time spent and the cost of materials.</b>	2	2	3
18.3	<b>The college controls the use of facilities and charges fees for usage in accordance with college policy.</b>	5	5	4
18.4	<b>The Maintenance Department follows standard college purchasing protocols. Open purchase orders may be used if controlled by limiting the employees authorized to make the purchase and the amount.</b>	5	5	4
18.5	<b>Materials and equipment/tools inventory are safeguarded from loss through appropriate physical and accounting controls.</b>	5	5	6

The standards in bold text are the identified subset of standards for ongoing reviews.

<b>ACCJC Standard III-D Standard to be Addressed</b>		April 2007 Rating	Jan. 2008 Rating	July 2008 Rating
18.6	College-owned vehicles are used only for college purposes. Fuel is inventoried and controlled as to use.	5		
18.8	Capital equipment and furniture is tagged as college-owned property and inventoried at least annually.	1		
18.9	The college adheres to bid and force account requirements found in the Public Contract Code (Sections 20111 and 20114). These requirements include formal bids for materials, equipment and maintenance projects that exceed \$50,000; capital projects of \$15,000 or more; and labor when the job exceeds 750 hours or the materials exceed \$21,000.	7		
18.10	Standard accounting practices dictate that the college has adequate purchasing and contract controls to ensure that only properly authorized purchases are made and independent contracts approved, and that authorized purchases and independent contracts are made consistent with college policies, procedures, and management direction. In addition, appropriate levels of signature authorization are maintained to prevent or discourage inappropriate purchases or contract awards.	4		
<b>Financial Management Standards – Food Service Fiscal Controls</b>				
19.1	The college operates the food service programs in accordance with applicable laws and regulations.	3		
<b>Financial Management Standards – State-Mandated Cost</b>				
21.1	<b>The college has procedures that provide for the appropriate oversight and management of mandated cost claim reimbursement filing. Appropriate procedures cover: the identification of changes to existing mandates; training staff regarding the appropriate collection and submission of data to support the filing of the mandated costs claims; forms, formats, and time lines for reporting mandated cost information; and review of data and preparation of the actual claims.</b>	2	2	3

The standards in bold text are the identified subset of standards for ongoing reviews.



## **ACCJC Standard III-D: Financial Resources**

### **FCMAT Financial Management Standard 1.1 – Internal Control Environment**

#### **Professional Standard:**

Integrity and ethical behavior is the product of the college's ethical and behavioral standards, how they are communicated, and how they are reinforced in practice. All management-level personnel exhibit high integrity and ethical values in carrying out their responsibilities and directing the work of others.

#### **Sources and Documentation:**

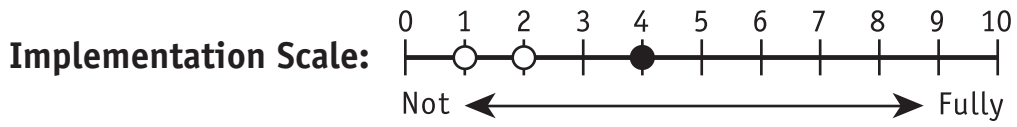
1. Compton CCD Policy Manual of the Board of Trustees (Draft, 2003)
2. Interviews with College Provost, Dean of Human Resources, El Camino Vice President of Business Services, Special Trustee, ECC Internal Auditor, ECC Chief Business Official
3. Action Plan and Areas of Responsibility Status Report for Audit Findings
4. Internal Audit Plan
5. Credit Card Audit and Corrective Action Plans

#### **Progress on Implementing the Recommendations of the Recovery Plan:**

1. Board policies do not adequately address integrity or behavioral expectations. The board policies reviewed by the assessment team had not been updated since the last review. The Compton CCD has not implemented complete procedures to ensure that it complies with the Government Code requirements and board policy for filing of statements of financial interest (Form 700). Procedures should include written district policy and a code of ethics that is distributed to all employees and made available online. Documented reviews included no indication that district administrators received ethics training. There is no policy regarding the roles and responsibilities of public officials related to conflicts of interest per Government Code Section 1090.
2. The Compton CCD (Special Trustee), Compton Center (Provost) and El Camino CCD administrators communicate their expectations to employees, and demonstrate integrity and ethical behavior in their daily activities. Documentation regarding the establishment of a fraud hot line, flier posted at key employee locations and information on the college's Web site were provided during the review process.
3. The Compton CCD and El Camino CCD have recently hired a new position of Internal Auditor to implement and evaluate action plans, establish and monitor internal controls, provide risk analysis, implement a fraud detection program and evaluate policies and procedures.

**Standard Implemented: Partially**

April 2007 Rating: 1  
January 2008 Rating: 2  
July 2008 Rating: 4





## **ACCJC Standard III-D: Financial Resources**

### **FCMAT Financial Management Standard 1.4 – Internal Control Environment**

#### **Professional Standard:**

The organizational structure clearly identifies key areas of authority and responsibility. Reporting lines are clearly identified and logical within each area.

#### **Sources and Documentation:**

1. Compton Community College Organizational Chart (2007-08)
2. Administrative Services Organizational Chart (updated)
3. Compton CCD Policy Manual of the Board of Trustees (Draft, 2003)

#### **Progress on Implementing the Recommendations of the Recovery Plan:**

1. The El Camino Community College has prepared a revised working draft of the Memorandum of Understanding between the Compton Center and the El Camino Community College District. This document attempts to further clarify the reporting roles and responsibilities of the following key administrators:
  - Compton Community College District (Special Trustee)
  - Compton Center (Provost)
  - El Camino Community College District (President and Vice Presidents)

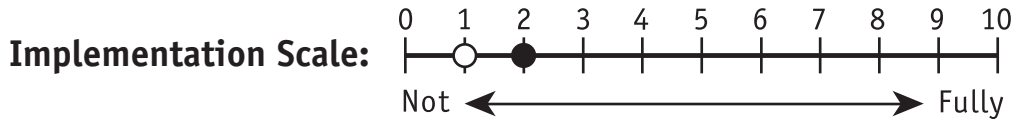
Because of the complex reporting structure, the Compton Center continues to evolve as an organization. The circumstances under which the Compton Center operates are unique, and lines of authority and responsibility have been clarified.

According to the original draft Memorandum of Understanding dated December 14, 2006, the Special Trustee should exercise, through the Provost, direct managerial responsibility for Compton CCD functions that do not exist primarily to support the Compton Center and as defined in Assembly Bill 318. The legislative intent of AB 318 was for the partner district, El Camino Community College, to provide for oversight and management of the instructional programs and supporting services.

2. The Compton Center Associate Vice President of Business position has been recently vacated after a brief employment. This leadership position is critical to training, oversight and continued development of Compton business staff. The lack of full-time on-site supervision for this position has added to the organizational inefficiencies that exist. Since the team's on-site visit in May, a full-time Chief Business Officer has been hired by the Compton Center.
3. Most of the current Compton Community College business staff, including but not limited to accounts payable, purchasing, accounting and student body functions, had been moved to the El Camino College District for training and appropriate oversight. A transition plan to return these staff to Compton CCD, scheduled for this fall, is now in place with the hiring of the new Associate Vice President of Business Services, which should eventually lead to more efficient and effective service delivery levels.

**Standard Implemented: Partially**

April 2007 Rating: 1  
January 2008 Rating: 2  
July 2008 Rating: 2



## ACCJC Standard III-D: Financial Resources

### FCMAT Financial Management Standard 1.7 – Internal Control Environment

#### Professional Standard:

All employees are evaluated on performance at least annually by a management-level employee knowledgeable about their work product. The evaluation criteria are clearly communicated and, to the extent possible, measurable. The evaluation includes a follow-up on prior performance issues and establishes goals to improve future performance.

#### Sources and Documentation:

1. Contract Agreement between the Compton Community College District and the Compton Community College Federation of Certificated Employees (7/1/07 – 6/30/10)
2. Compton CCD Policy Manual of the Board of Trustees (Draft, 2003)

#### Progress on Implementing the Recommendations of the Recovery Plan:

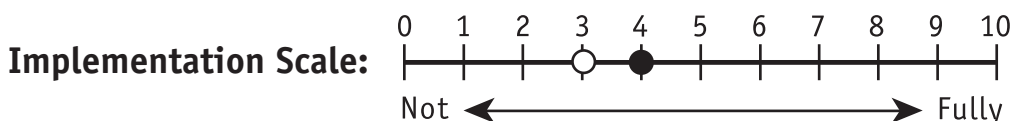
1. The collective bargaining agreement between Compton CCD and the certificated bargaining unit requires the performance evaluation instrument to be reviewed every six academic years for tenured employees. The team received written and verbal evidence that employees had received performance evaluations for the current period.

All classified employees in the Business Office have been evaluated for the 2007-08 fiscal year. However, the evaluation document does not contain measurement outcomes or follow-up time lines for employees who received a “Needs Improvement” evaluation.

2. Board Policy 2.1, Evaluation (undated), requires the annual performance evaluation of all management employees. Further, personnel policy and rules require annual evaluations of all classified employees, including managers. The review team could find no documentation that management employees had been evaluated during the past fiscal year.
3. No training or documentation materials were provided that training for all managers was performed on conducting employee performance evaluations. These trainings were to include written materials and sample forms for reference.
4. An evaluation process for both faculty and managers was developed by the Compton Center. The board approved the faculty evaluation process, but it has not been implemented to date. The management evaluation instrument has not been approved by the board.

#### Standard Implemented: Partially

April 2007 Rating: 3  
January 2008 Rating: 4  
July 2008 Rating: 4



## **ACCJC Standard III-D: Financial Resources**

### **FCMAT Financial Management Standard 1.8 – Internal Control Environment**

#### **Professional Standard:**

Top management sets the tone and establishes the environment. Therefore, appropriate measures are implemented to discourage and detect fraud.

#### **Sources and Documentation:**

1. Compton CCD Policy Manual of the Board of Trustees (Draft, 2003)
2. Compton CCD Report on Audit of Financial Statements (June 30, 2007)
3. Interviews with College Provost, Dean of Human Resources, El Camino Vice President of Business Services, Special Trustee, ECC Internal Auditor, ECC Chief Business Official
4. Action Plan and Areas of Responsibility Status Report for Audit Findings
5. Internal Audit Plan
6. Credit Card Audit and Corrective Action Plans

#### **Progress on Implementing the Recommendations of the Recovery Plan:**

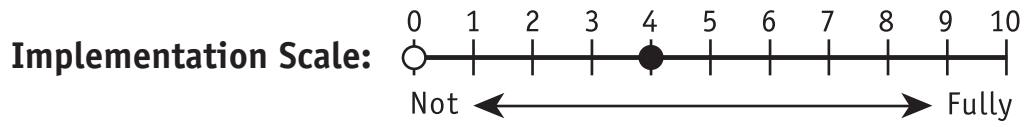
1. The principal mechanism for the deterrence of fraud or illegal practices is strong internal controls. Internal controls are the processes designed to provide reasonable assurance that the operations of the district are effective and efficient, the financial information produced is reliable and the district is operating in compliance with all applicable laws and regulations. Internal accounting controls have not been fully implemented. In February the college hired an internal auditor that will be shared between Compton and El Camino Community College. This position was created to protect against irregularities and illegal acts characterized by intentional deception and misrepresentation of material facts. Board policies have not been developed to properly address fraud prevention and conflict of interest.

While all employees have some degree of responsibility for the internal controls of the college, the Special Trustee and upper management of the Compton CCD, Compton Center and El Camino Community College are ultimately responsible. The Internal Auditor has created an Action Plan and Areas of Responsibility Status report to track and monitor all audit exceptions. The plan includes weekly meetings with all key stakeholders to review and rank progress made by the college.

2. The Internal Auditor has conducted an internal review for credit card practices for the Maintenance and Operations Department. The report included inappropriate practices, findings and corrective actions for remediation. These recommendations include the immediate cancellation of the Bank of America credit card, and the need to develop a policy and procedure for the use of credit cards for appropriate purchases and supporting documentation.

**Standard Implemented: Partially**

April 2007 Rating: 0  
January 2008 Rating: 0  
July 2008 Rating: 4



## **ACCJC Standard III-D: Financial Resources**

### **FCMAT Financial Management Standard 2.1 – Inter- and Intra-Departmental Communications**

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#### **Professional Standard:**

The business and operations departments communicate regularly with internal staff and all user departments on their responsibilities for accounting procedures and internal controls. The communications are written whenever possible, particularly when they (1) affect many staff or user groups, (2) are issues of high importance, or (3) reflect a change in procedures. Procedures manuals are necessary to the communication of responsibilities. The departments also are responsive to user department needs, thus encouraging a free exchange of information between the two (excluding items of a confidential nature).

#### **Sources and Documentation:**

1. E-mail correspondence
2. Department memoranda
3. El Camino Community College Purchasing Manual

#### **Progress on Implementing the Recommendations of the Recovery Plan:**

1. The newly hired Internal Auditor is in the process of developing written policies and procedures for the Business Department. Although the district has not yet developed new procedure manuals or similar resources for business-related functions, Compton CCD is using the El Camino Community College purchasing manual. The Internal Auditor conducts weekly meetings with key individuals to review and monitor the progress of the college's current and past audit findings.

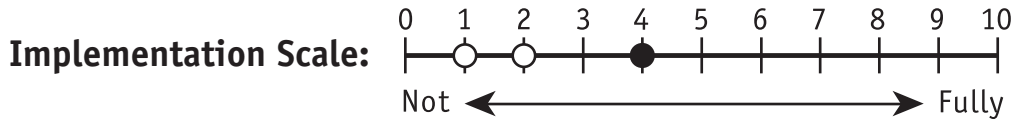
The Business Office staff at the Compton CCD has been split into two component units: 1) Operational functions consisting of cashiering, payroll, purchasing and accounts payable, and 2) General accounting consisting of budget development, budget monitoring, financial reporting, year-end closing and auditing. General meetings are held weekly by El Camino Community College, and organizational charts have been distributed to all staff regarding lines of authority.

Because of the complexity of the reporting structure, the Compton Center continues to evolve as an organization. The circumstances under which the Compton Center operates are unique; however, communication has improved since the last review period.

2. Leadership meetings are conducted weekly at El Camino Community College to review organizational, fiscal and employee reporting issues, training needs, the restructuring of management, staff responsibilities, and expertise to be able to function on new systems and within El Camino Community College's established policies and procedures. The intent of these meetings is commendable and the direction to staff appears to conform with the language identifying El Camino Community College's fiscal oversight and responsibilities to manage only the Compton Center and not assume the fiscal service operations of Compton CCD.

**Standard Implemented: Partially**

April 2007 Rating: 1  
January 2008 Rating: 2  
July 2008 Rating: 4



## **ACCJC Standard III-D: Financial Resources**

### **FCMAT Financial Management Standard 2.2 – Inter- and Intra-Departmental Communications**

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#### **Professional Standard:**

The financial departments communicate regularly with the Governing Board and community on the status of college finances and the financial impact of proposed expenditure decisions. The communications are written whenever possible, particularly when they affect many community members, are issues of high importance to the college and board, or reflect a change in policy.

#### **Sources and Documentation:**

1. 2007-08 tentative budget and final budget
2. 2007-08 CCFS 311Q
3. 2007-08 CCFS 311A
4. E-mail correspondence
5. Department memoranda
6. Board agenda
7. Budget Advisory Committee agenda

#### **Progress on Implementing the Recommendations of the Recovery Plan:**

1. Documentation for the 2007-08 fiscal year indicates improved communications between the Special Trustee and Business Office staff. The Compton CCD and El Camino Community College management provided communications to the Special Trustee regarding budget information that included documents such as the tentative budget, final budget, Enrollment Management Plan and Form 311Q quarterly financial status reports.

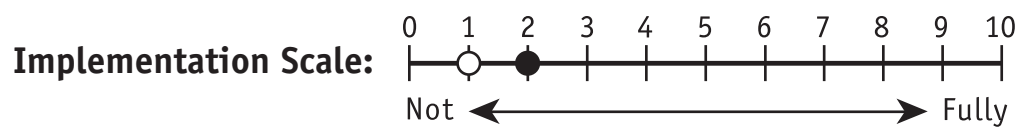
No budget and financial information has been disseminated between the two entities, and communications remain unclear with regard to the tentative budget for the 2008-09 fiscal year. Assignments for budget preparation, assumptions and site level detail information have not been prepared. In a typical budgeting format, the tentative budget includes projected enrollment FTES, revenues and expenditures for unrestricted and restricted programs, and detailed information by site/location, department and educational program. This information is usually prepared in January or February and updated after the Governor's January and May revisions.

2. No evidence or supporting documentation exists to demonstrate that communications and direction for the 2008-09 tentative budget have been provided to the Special Trustee, who acts on behalf of the Board of Trustees.

#### **Standard Implemented: Partially**

April 2007 Rating:	1
January 2008 Rating:	2
July 2008 Rating:	2





## ACCJC Standard III-D: Financial Resources

### FCMAT Financial Management Standard 2.4 – Inter- and Intra-Departmental Communications

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The college has formal policies and procedures that provide a mechanism for individuals to report illegal acts, establish to whom illegal acts should be reported, and provide a formal investigative process.

#### Sources and Documentation:

1. 2007-08 Audit Report
2. Board policies
3. Flier posted regarding fraud prevention reporting

#### Progress on Implementing the Recommendations of the Recovery Plan:

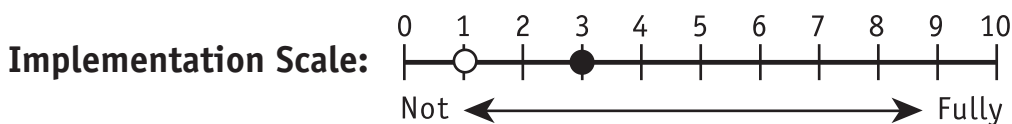
1. The internal control environment includes the integrity, ethical values and competence of personnel; the philosophy and operating style of management; the way management assigns authority and responsibility and organizes and develops its employees; and the attention and direction provided by the governing board and executive management.

Effective internal controls are designed to ensure the following:

- Effectiveness and efficiency of operations.
  - Reliability of financial reporting.
  - Compliance with applicable laws and regulations.
2. The Internal Auditor is in the process of developing formal policies and procedures that will provide an information mechanism for employees to report potential illegal acts of fraud or that clarify an investigative process is in place by management. These procedures include the addition to the college's Web site of contact information, fliers posted in critical employee locations and the establishment of an anonymous telephone hot line.

#### Standard Implemented: Partially

April 2007 Rating: 1  
January 2008 Rating: 1  
July 2008 Rating: 3



**ACCJC Standard III-D: Financial Resources**  
**FCMAT Financial Management Standard 2.5 – Inter- and Intra-Departmental Communications**

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**Professional Standard:**

Documents developed by the financial departments for distribution to the board, staff and community are easily understood.

**Sources and Documentation:**

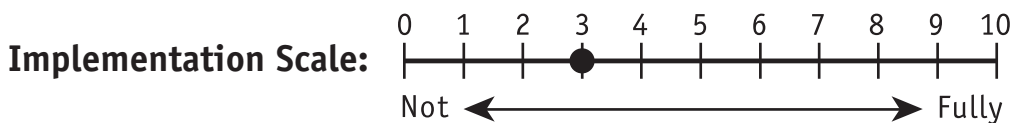
1. 2007-08 tentative and adopted budgets
2. 2007-08 CCFS 311A
4. E-mail correspondence
5. Department memoranda
6. Board agenda
7. Budget Advisory Committee agenda
8. Proposal for Partnership with the Compton Community College District

**Progress on Implementing the Recommendations of the Recovery Plan:**

1. The industry standards for the normal budget development process include a planning and budget development calendar. The document contains all the necessary key criteria to develop the budget in a timely and accurate manner. The team could not verify that a budget development calendar or model was utilized. It appears that this process is only delineated on paper and has had no bearing or effect on the actual budget development.
2. There was no evidence or documentation that demonstrated staff had either written or oral communications regarding the development of the 2008-09 tentative budget. No budget and financial information was disseminated between the two entities, providing further evidence that communications remain unclear among program and department managers. Department managers at the Compton CCD have not received a breakdown of their respective budgets to prepare for the 2008-09 fiscal year.
3. All 311Q Quarterly Financial Reports were prepared and presented by the Business Office staff to the Special Trustee on a timely basis.

**Standard Implemented: Partially**

April 2007 Rating: 3  
January 2008 Rating: 3  
July 2008 Rating: 3



**ACCJC Standard III-D: Financial Resources**  
**FCMAT Financial Management Standard 4.1 – Internal Audit**

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**Professional Standard:**

The Governing Board has adopted policies establishing an internal audit function that reports directly to the president or Governing Board.

**Sources and Documentation:**

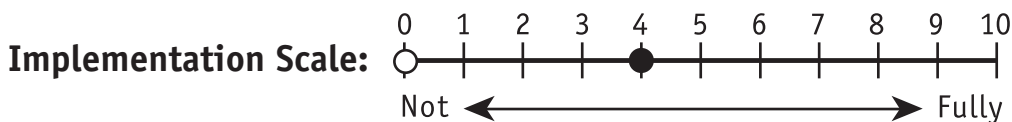
1. Interview with Internal Auditor
2. Departmental memoranda
3. Flyer posted regarding fraud prevention reporting

**Progress on Implementing the Recommendations of the Recovery Plan:**

1. The college has established an internal audit function by hiring a full time Internal Auditor that will be shared by both colleges. This position reports directly to the Vice President of Business Services at El Camino College and is funded by the special appropriation from the Chancellor’s Office.
2. In interviews with the Internal Auditor, documentation was provided regarding the establishment of fraud prevention programs and procedures, an audit matrix and action plan, and the development of internal control policies and procedures.
3. Documentation was provided regarding the appropriate use of credit cards.

**Standard Implemented: Partially**

April 2007 Rating: 0  
January 2008 Rating: 0  
July 2008 Rating: 4



**ACCJC Standard III-D: Financial Resources**  
**FCMAT Financial Management Standard 4.4 – Internal Audit**

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**Professional Standard:**

Internal audit findings are reported on a timely basis to the Governing Board and administration, as appropriate. Management then takes timely action to follow up and resolve audit findings.

**Sources and Documentation:**

1. 2006-07 Audit Report
2. Board policies
3. Interview with the Internal Auditor
4. Action Plan and Areas of Responsibility Status Report
5. El Camino Community College/Compton Internal Audit Plan

**Progress on Implementing the Recommendations of the Recovery Plan:**

1. Previous audit findings identified in the Financial Statement Findings and Recommendations section of the 2007-08 audit report have not been resolved. The report contained 29 findings for the current audit period. Also included in the 2006-07 audit are the prior year audit findings and status from the 2005-06 fiscal year:

<b>Audit Finding Reference</b>	<b>Audit Category</b>	<b>Status</b>
2006-1	General Fund Reserves, Cash Flow and Going Concern	Not Implemented
2006-2	Anti Fraud Program	Not Implemented
2006-3	CCFS-311 Reporting	Partially Implemented
2006-4	General Accounting and Internal Controls	Not Implemented
2006-5	Accounts Receivable	Not Implemented
2006-6	Capital Assets	Not Implemented
2006-7	Accounts Payable	Not Implemented
2006-8	Accrued Vacation	Partially Implemented
2006-9	Enrollment Fees	Not Implemented
2006-10	Self Insurance-Negative Fund Balance	Not Implemented
2006-11	Negative Fund Balance-Variou Funds	Not Implemented
2006-12	Associated Students	Not Implemented
2006-13	Students Activity Enrolled Census Date	Not Implemented
2006-14	CalWORKS	Not Implemented
2006-15	Enrollment Fees: Reporting	Not Implemented
2006-16	Matriculation: Reporting	Not Implemented

<b>Audit Finding Reference</b>	<b>Audit Category</b>	<b>Status</b>
2006-17	Minimum Conditions: Standards for Scholarship Reporting	Not Applicable
2006-18	Concurrent Enrollment	Not Applicable
2006-19	Open Enrollment	Not Applicable
2006-20	Non-Credit: Course Self-Assessment	Not Applicable
2006-21	Federal Payroll Distribution	Not Implemented
2006-22	Student Financial Aid-Federal Work Study Time Cards	Implemented
2006-23	Student Financial Aid: Pell Grant Distribution	Not Applicable
2006-24	Unallowable Costs	Not Implemented
2006-25	Internal Controls	Partially Implemented
2006-26	Supporting Documentation	Not Implemented
2006-27	Drawdowns	Not Implemented
2006-28	Sub Recipient Monitoring	Not Applicable
2006-29	Special Test and Provisions	Not Applicable
2006-30	Student Financial Aid Reporting	Not Applicable
2006-31	Internal Control Procedures for Student Aid Payments	Not Applicable
2006-32	Earmarking	Implemented

As shown in the status column, two findings have been implemented, three findings have been partially implemented, nine findings are classified as not applicable due to the loss of accreditation and the balance of 20 findings have not been implemented.

2. Because of the high turnover in Business Office staff, unfilled vacancies, lack of employee training, and governance changes resulting from AB 318 and the subsequent reassignment of Business Office staff to El Camino Community College, audit findings and recommendations have not been addressed in a timely manner. District responses include the admission, recognition and concurrence with the reported material weaknesses identified in findings as listed below. The report further states that the completion or any substantive implementation of the 2007-08 audit findings may not be evident until the completion of the 2007-08 audit.

### **Material Weaknesses**

Material weaknesses are deficiencies in the district's internal controls that are so serious that errors or fraud may occur and not be detected in a timely manner by employees during the normal course of business. A material weakness may also be a violation of current laws or regulations. A material weakness is the most serious type of finding.

The findings in the 2007-08 Annual Financial Audit Report include the following:

Finding 2007-1	District Financial Condition Criteria
Finding 2007-2	Internal Control Structure
Finding 2007-3	Financial Accounting Software Criteria
Finding 2007-4	Capital Asset Accounting Criteria
Finding 2007-5	Workers' Compensation Liability Criteria
Finding 2007-6	Cash Clearing Account Criteria
Finding 2007-7	Segregation of Duties Criteria
Finding 2007-8	Bank Account Custody and Control Criteria
Finding 2007-9	Categorical Program Accounting Criteria
Finding 2007-10	Accounts Payable Accrual Criteria
Finding 2007-21	Program Reporting – Schedule of Expenditures of Federal Awards
Finding 2007-22	Allowable Costs/Costs Principals
Finding 2007-23	Cash Management

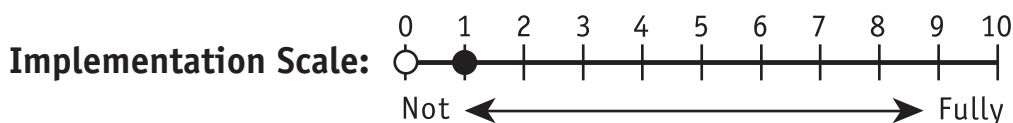
Continued measurable efforts are not evident in this area and could seriously impair the Compton CCD, Compton Center and El Camino Community College joint efforts to complete the milestone expectations for the accreditation process. Based on the funding available through AB 318, accelerated efforts to address the complete audit findings need to begin immediately. Much time has been spent in discussing and planning what strategies need to be employed to improve the financial reporting condition of the Compton CCD, yet the necessary concentrated efforts have not occurred.

There is a demonstrated lack of financial oversight and knowledge of generally accepted accounting principals in the business office. The staff lacks sufficient training and experience to bring the college's financial records up to date. An interim finance team needs to be assembled to help the college reconcile its current financial records immediately.

At the time of the team's fieldwork, the 2007-08 audit had not been completed. Therefore, it could not be determined if any of the findings from the 2005-06 or 2006-07 audit were corrected. On a positive note, El Camino Community College has recently hired an Internal Auditor who will be shared by both agencies. The Internal Auditor has developed an audit matrix to address all previous audit findings. This document will initiate the tracking and monitoring of progress related to all audit findings. This matrix includes an action plan for each audit finding that includes the responsible manager and institutes a weekly status report.

**Standard Implemented: Partially**

April 2007 Rating: 0  
 January 2008 Rating: 0  
 July 2008 Rating: 1



## **ACCJC Standard III-D: Financial Resources**

### **FCMAT Financial Management Standard 5.1 – Budget Development Process (Policy)**

#### **Professional Standard:**

The budget development process requires a policy-oriented focus by the Governing Board to develop an expenditure plan that fulfills the college's goals and objectives. The Governing Board focuses on expenditure standards and formulas that meet the college's goals. The Governing Board avoids specific line-item focus, but directs staff to design an entire expenditure plan focusing on student and college needs.

#### **Sources and Documentation:**

1. The Compton CCD has a generic policy manual that calls for a budget process consistent with the standard. There is no evidence of effort to customize the policy to meet the specifics of the district and its business practices
2. Draft Planning and Budget Development Calendar

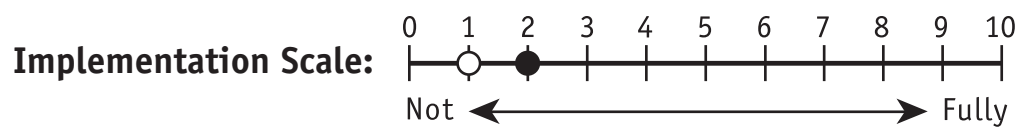
#### **Progress on Implementing the Recommendations of the Recovery Plan:**

1. The Compton CCD has not developed a comprehensive budget policy with administrative regulations consistent with the standards and the needs of the El Camino/Compton partnership, including the accreditation standards.
2. The budget process, including a planning and budget development calendar, was developed by the Business Office for the 2008-09 fiscal year. The document contained all the necessary key dates and budget allocation worksheets to develop the budget in a timely and accurate manner. However, based upon the lack of follow-up and communication from the Business Office, the process is only delineated conceptually on paper and has had little or no effect on the actual budget process, preparation, and presentation to the Special Trustee.
3. According to the Accounting Manager, the budget allocation worksheets were not forwarded to the appropriate site managers until May 2008. The budget development process should commence no later than January preceding the next fiscal year. A Budget Advisory Committee has been formed and meets regularly under the direction of an interim Business Director. Compton Center is developing its multiyear budget projections and a budget plan according to the El Camino College standards and time lines. No comprehensive budget plan could be documented that aligns with the college's goals and financial recovery plan.

#### **Standard Implemented: Partially**

April 2007 Rating:	1
January 2008 Rating:	1
July 2008 Rating:	2





## ACCJC Standard III-D: Financial Resources

### FCMAT Financial Management Standard 5.3 – Budget Development Process (Policy)

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#### Professional Standard:

Policies and regulations exist regarding budget development and monitoring.

#### Sources and Documentation:

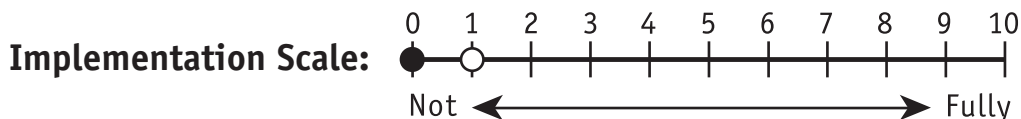
1. Compton Community College Policy Manual
2. Business Office files

#### Progress on Implementing the Recommendations of the Recovery Plan:

1. There is no budget development and monitoring policy in place relevant to current and evolving conditions at Compton CCD. El Camino Community College proposes to develop a budget development model that will provide a direct correlation to the instructional, institutional and departmental areas. The model will require collaborative efforts by all three entities to meet the five-year plan and goal of the Compton CCD transition for accreditation purposes. There has been no progress in the actual implementation of a policy.

#### Standard Implemented: Not Implemented

April 2007 Rating: 1  
January 2008 Rating: 1  
July 2008 Rating: 0



## **ACCJC Standard III-D: Financial Resources**

### **FCMAT Financial Management Standards 5.4 and 5.6 – Budget Development Process (Policy)**

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#### **Professional Standards:**

Standard 5.4: The College has a clear process to analyze resources and allocations to ensure that they are aligned with strategic planning objectives and that the budget reflects college priorities.

Standard 5.6: Categorical funds are an integral part of the budget process and have been integrated into the entire budget development. The revenues and expenditures for categorical programs are reviewed and evaluated in the same manner as unrestricted general fund revenues and expenditures. Categorical program development is integrated with the college's goals and is used to respond to specific college student needs to support student learning outcomes.

#### **Sources and Documentation:**

1. Compton Community College Policy Manual
2. Business Office files
3. Staff Interviews
4. Finance Code and Procedures for ASB
5. DataTel Requisitions\Approver List
6. Dean of Student Services Budget Binder

#### **Progress on Implementing the Recommendations of the Recovery Plan:**

1. There is no budget development process that uses resource allocation policies that are relevant to current and evolving conditions at Compton CCD. The process needs to provide both short- and long-range fiscal scenarios. This plan should include the impact of negotiations, short- and long-term commitments for debt, employee compensation costs, position control and other key factors that affect the budget process.

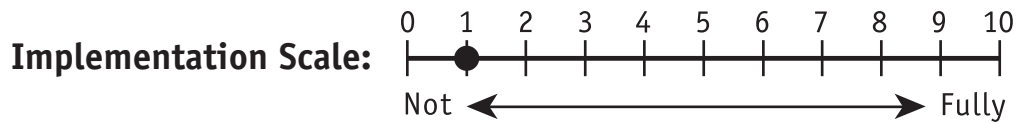
The Compton CCD has failed to create policies and procedures that facilitate development of a budget that is understandable, meaningful, reflective of college goals, and balanced in terms of revenues and expenditures, other than meeting the standard reporting requirements.

2. The development of the Compton Center budget proposed by El Camino Community College is guided by Section 18 of the MOU. Under the MOU, El Camino will provide fiscal and administrative oversight for the operation of the Center and all matters related to it. The budget for the Center will be jointly developed and approved by El Camino and the Compton CCD. Compton will continue to provide fiscal and administrative oversight of any activities of the district, which will be separate from and unrelated to the Center. In theory, this budget scenario closely relates to the intent of AB 318, but the team could find no documented evidence that these budget practices have been implemented to date.
3. The budget information provided to the team did not contain any carryover or calculations with regard to deferred revenue for the college's categorical programs.

4. While the Business Office did not provide detailed budget information regarding categorical programs, the Dean of Student Services had developed internal budget spreadsheets to track and monitor budget information from the DataTel financial software system.

**Standard Implemented: Partially**

April 2007 Rating: 0  
January 2008 Rating: 0  
July 2008 Rating: 1



**ACCJC Standard III-D: Financial Resources**  
**FCMAT Financial Management Standard 6.1 – Budget Development Process**  
**(Technical)**

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**Professional Standard:**

The Budget Office has a technical process to build the preliminary budget amounts that includes: the forecast of revenues, the verification and projection of expenditures, the identification of known carryovers and accruals and the inclusion of concluded expenditure plans. The process clearly identifies the sources and uses of funds. Reasonable FTES and COLA estimates are used when planning and budgeting. The same process is applied to all funds.

**Sources and Documentation:**

1. Compton Community College Policy Manual
2. Business Office files
3. 2007-08 CCFS 311Q
4. Minutes from Budget and Planning committees
5. 2007-08 Annual Financial Audit Report

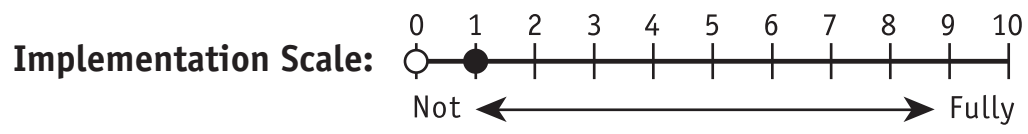
**Progress on Implementing the Recommendations of the Recovery Plan:**

1. There is no process for budget development in place relevant to current and evolving conditions at Compton CCD. The college continues to demonstrate a lack of adequate and necessary organizational structure to facilitate budget development and monitoring to ensure that technical budget assumptions are included. The process does not identify the sources and uses of funds, projected carryovers for categorical programs or the site expenditure budgets.
2. El Camino has proposed to coordinate the budget development schedule, assist with verification processes and ensure consistent budget development practices are used at both campuses. The process utilized by Compton College for 2007-08 and 2008-09 did not reflect proper coordination or demonstrate that a process was in place to forecast revenues, project expenditures or include carryovers that clearly identify the sources and uses of funds at the time of review.

Because of the lack of collaborative efforts by the Compton CCD Business Office staff and program managers, the projections were an abbreviated version of any normal budget process and only included administrative management in budget preparation. The budget in its simplest form reflects the basic requirements for the projected 2008-09 fiscal year but not the goals or priorities of the Compton CCD or the financial recovery plan. In May 2008, budget allocation worksheets were just being developed and distributed to program managers.

**Standard Implemented: Partially**

April 2007 Rating: 0  
January 2008 Rating: 1  
July 2008 Rating: 1



## ACCJC Standard III-D: Financial Resources

### FCMAT Financial Management Standard 7.5 – Budget Adoption, Reporting, and Audits

#### Professional Standard:

The quarterly fiscal status reports show an accurate projection of the ending fund balance. Material differences are presented to the Governing Board with detailed explanations.

#### Sources and Documentation:

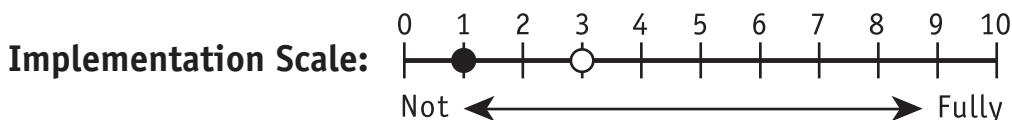
1. 2007-08 CCFS 311A and 311Q
3. E-mail correspondence
4. Department memoranda
5. Board agenda
6. 2007-08 general ledger trial balance

#### Progress on Implementing the Recommendations of the Recovery Plan:

1. Closing entries from the 2006-07 audit have not been posted to the general ledger. The district utilizes two separate financial systems, PeopleSoft and DataTel, which have not been reconciled this fiscal year. Closing general ledger balances from the PeopleSoft system for 2006-07 have not been posted to the beginning balances on the DataTel system. This calls into question the reliability and integrity of the college's financial reporting. Given the lack of information regarding the Compton CCD's ending fund balances, no evaluation or representation of material differences could be made regarding the accuracy of data presented to the Special Trustee. This lack of reconciliation between the two financial systems is a material weakness.
2. During the 2007-08 fiscal year, CCFS 311Q financial status reports were presented to the Special Trustee depicting the projected ending fund balance of the college for all unrestricted and restricted resources. Based on the findings in item one above, the reliability or accuracy of these financial reports is questionable. According to the 2006-07 Annual Financial Audit Report, the lack of timely reporting places the district at risk of misreporting activity and account balances.
3. The departure of the Chief Business Official in March 2008 created yet another leadership and technical void that affected Business Office performance in 2007-08. Recently, Compton CCD hired a new CBO with demonstrated experience in community college finance and accounting.

#### Standard Implemented: Partially

April 2007 Rating: 3  
January 2008 Rating: 3  
July 2008 Rating: 1



## **ACCJC Standard III-D: Financial Resources**

### **FCMAT Financial Management Standard 8.2 – Budget Monitoring**

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#### **Professional Standard:**

There are budget monitoring controls, such as periodic reports, to alert department and site managers of the potential for overexpenditure of budgeted amounts. Revenue and expenditures are forecast and verified monthly.

#### **Sources and Documentation:**

1. PeopleSoft financial reports
2. 2007-08 purchase orders
3. 2007-08 requisitions
4. DataTel financial reports
5. 2005-06 audit

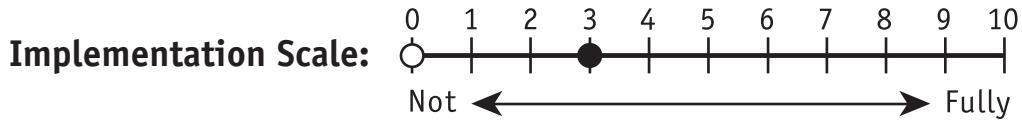
#### **Progress on Implementing the Recommendations of the Recovery Plan:**

1. The Compton CCD, Compton Center and El Camino Community College have completed the implementation and conversion of the district's financial data from PeopleSoft to DataTel's Colleague Financials (CF) and HR/Payroll (HR) modules. El Camino staff have trained Compton Center site and department staff on online purchase requisitions and running budget reports. Performing these functions has reinforced site and department responsibility for program budgets. According to the Compton Accounting Manager, monthly budget reports are now being sent to all departments. The Business Office highlights any budget deficits that must be adjusted through a budget transfer to continue processing purchase requisitions.
2. The conversion of the payroll account code structure is complete and the HRS system payroll transactions are being imported into DataTel. There is no mechanism in the HRS system (Payroll) for a check against budget at the time the pay warrant is produced. Once the payroll system transactions are uploaded into both PeopleSoft and DataTel, staff can make a budget comparison.
3. Sites and departments have been trained to run their own budget reports and verify the appropriate budget for the fiscal year. The Compton CCD needs to continue discussions and training with departments regarding their specific budgets.
4. Online budget revisions should be implemented to allow more efficient, accurate and timely processing of budget transactions. The district should investigate instances where transactions were processed with insufficient budget funds available and should initiate proper controls so that it does not continue.
5. The goals and objectives of the El Camino/Compton partnership should be reviewed, and an immediate plan developed to provide the proper fiscal oversight needed for an agency receiving state intervention. All school districts and community colleges in Los Angeles County require an interface with the PeopleSoft software maintained by the Los Angeles County Office of Education for proper oversight and reporting responsibilities.



**Standard Implemented: Partially**

April 2007 Rating: 0  
January 2008 Rating: 3  
July 2008 Rating: 3



**ACCJC Standard III-D: Financial Resources**  
**FCMAT Financial Management Standard 8.5 – Budget Monitoring**

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**Professional Standard:**

The college uses an effective position control system that tracks personnel allocations and expenditures. The position control system effectively establishes checks and balances between personnel decisions and budgeted appropriations.

**Sources and Documentation:**

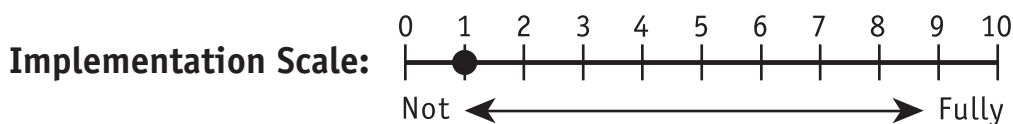
1. HRS position control data
2. PeopleSoft financial reports
3. DataTel Colleague documentation (no position control)

**Progress on Implementing the Recommendations of the Recovery Plan:**

1. The district has loaded all employee data into the DataTel Colleague financial system. However, at the time of fieldwork, no verifiable documentation existed in the Business Department demonstrating that the proper internal controls and employee tracking was being performed.

**Standard Implemented: Partially**

April 2007 Rating: 1  
January 2008 Rating: 1  
July 2008 Rating: 1



**ACCJC Standard III-D: Financial Resources**  
**FCMAT Financial Management Standard 9.2 – Budget Communications**

**Professional Standard:**

The college budget clearly identifies one-time sources and uses of funds.

**Sources and Documentation:**

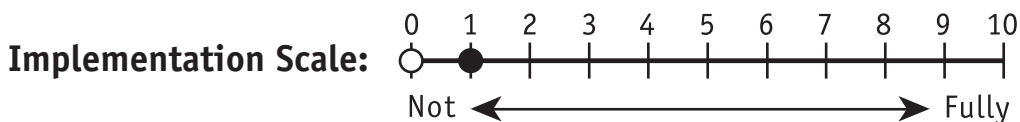
1. 2007-08 final budget
2. 2007-08 tentative budget
3. 2007-08 CCFS 311Q
4. 2007-08 CCFS 311A
5. E-mail correspondence
6. Department memoranda
7. Board agenda
8. Budget Advisory Committee agenda
9. Proposal for Partnership with the Compton Community College District
10. Dean of Student Services internal budget documents
11. Dean of Students Tentative Budget for 2008-09

**Progress on Implementing the Recommendations of the Recovery Plan:**

1. During review, it was determined that only the Dean of Student Services had developed internal budget documents to track and monitor one time revenues and expenditures for grant and/or categorical funds.
2. The team was unable to identify any specificity regarding one-time revenues or expenditures in the budget development process.

**Standard Implemented: Partially**

April 2007 Rating: 0  
January 2008 Rating: 1  
July 2008 Rating: 1



## ACCJC Standard III-D: Financial Resources

### FCMAT Financial Management Standard 11.1 – Attendance Accounting

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#### Professional Standard:

An accurate record of enrollment and attendance is maintained.

#### Sources and Documentation:

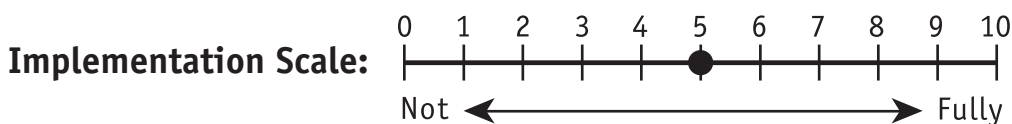
1. CCCD Report on Audit of Financial Statements (June 30, 2007)
2. CCFS 320 Apportionment Attendance reports (2007-08)

#### Progress on Implementing the Recommendations of the Recovery Plan:

1. The Compton CCD's latest audit report, for the year ended June 30, 2007, cited issues in student enrollment fees, concurrent enrollment, open enrollment and attendance. All of these findings can affect the accuracy of the attendance reported to the state for apportionment. Most of these issues were unresolved findings from the prior year and are now being addressed with the implementation of the district's new financial reporting system.
2. The Compton College does not have procedures in place to monitor and track attendance rosters submitted by staff, and therefore puts the district's funding at risk by inaccurately reporting FTES generated. Procedures have not been implemented that require proper completion of attendance records, which further exacerbates an already deficient internal control as it relates to proper attendance reporting.
3. Compton CCD has begun managing its own DataTel student database separately from El Camino. Training assistance is being provided, and internal capacity is being built for the district's staff. Utilizing the designated processes from El Camino Community College will enhance the district's ability to resolve the outstanding audit findings. This process will ensure that the student enrollment and attendance records are accurately kept and adequately documented for state apportionment. It is difficult to measure progress without the completed audit for the 2007-08 fiscal year and findings and recommendations from the district's independent auditor.

#### Standard Implemented: **Partially**

April 2007 Rating: 5  
January 2008 Rating: 5  
July 2008 Rating: 5



## ACCJC Standard III-D: Financial Resources

### FCMAT Financial Management Standard 11.5 – Attendance Accounting

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#### Professional Standard:

Procedures are in place to ensure that enrollment and attendance accounting and reporting requirements are met for weekly student contact hours (WSCH), daily student contact hours (DSCH), credit, non-credit, high school concurrent enrollment, and positive attendance.

#### Sources and Documentation:

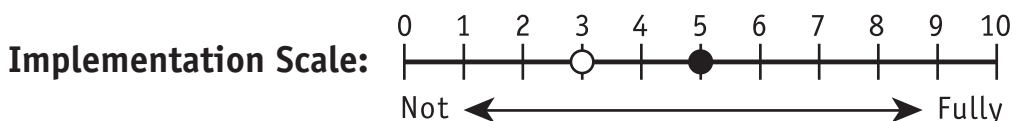
1. Sample weekly, daily and positive attendance census reports from El Camino CCD's DataTel system
2. Sample enrollment reports from El Camino CCD's DataTel system
3. El Camino College Compton Center 2007-2008 Enrollment and Registration Schedule
4. Sample positive attendance reports from El Camino's DataTel system

#### Progress on Implementing the Recommendations of the Recovery Plan:

1. The student enrollment and attendance system used for Compton's students changed as of fall 2006. El Camino's student enrollment, registration, and attendance processes, forms, and systems are used for Compton students. Compton CCD's data is kept separate using a separate college code in the database, and these efforts have resulted in a positive increase in the data's accuracy.
2. El Camino staff members utilize the college code in the database to generate a separate CCFS 320 attendance report to the state for Compton CCD. Based on some preliminary attendance reports generated from the system, the review team verified that a college code is used exclusively for the Compton CCD and data is being accumulated with a high degree of accuracy.
3. The evaluation for this standard is based on the use of El Camino's system and procedures. Once Compton CCD resumes full responsibility for maintaining the student database, the evaluation for this standard should exclude consideration of El Camino's process. It is difficult to measure progress without the completed audit for the 2007-08 fiscal year and findings and recommendations from the district's independent auditor.
4. Due to the loss of accreditation, Education Code Section 48800(b)(2) no longer applies to Compton for concurrent enrollment.

#### Standard Implemented: Partially

April 2007 Rating: 3  
January 2008 Rating: 5  
July 2008 Rating: 5



## **ACCJC Standard III-D: Financial Resources**

### **FCMAT Financial Management Standard 12.2 – Accounting, Purchasing and Warehousing**

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#### **Professional Standard:**

The college timely and accurately records all information regarding financial activity (unrestricted and restricted) for all programs. Generally Accepted Accounting Principles (GAAP) requires that for financial reporting to serve the needs of the users, it must be reliable and timely. Therefore, the timely and accurate recording of the underlying transactions (revenue and expenditures) is an essential function of the college's financial management.

#### **Sources and Documentation:**

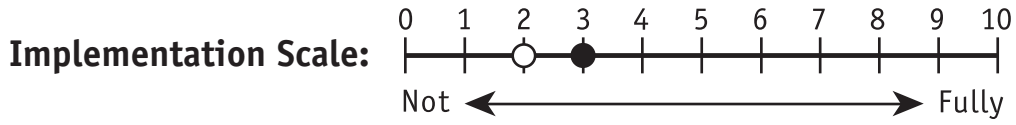
1. Various financial reports generated from PeopleSoft and DataTel
2. CCCD Report on Audit of Financial Statements (June 30, 2007)
3. Staff interviews

#### **Progress on Implementing the Recommendations of the Recovery Plan:**

1. Review of the final trial balance for 2007-08 fiscal year generated from the financial system indicates that systems are not in place or enforced to ensure timely processing of financial activities or the appropriate closing entries. To be better prepared for the closing of the 2007-08 fiscal year and subsequent audit, the college must consider hiring an interim finance team to assist with updating and reconciling the college's financial records.
2. The latest audit report, for the year ended June 30, 2007, cites a number of findings related to the timing and accuracy of the accounting transactions. Most of these findings were also cited in the previous year's audit report, and were not corrected.
3. The Business Office completed a very rapid conversion to a new financial system, without adequate time or resources for planning, conversion, and training. In addition, some accounting transactions are recorded in the old system and others in the new system for the current fiscal year. It appears that accruals from the prior year have not been adjusted in the current year financial system. There are significant concerns about the accuracy and completeness of the data in either system, without adequate staff time and training for those using the systems.
4. Prior year closing financial transactions in the PeopleSoft system for 2006-07 are not posted to the DataTel system for 2007-08. It is anticipated that the auditor will review the 2007-08 financial closing records posted in the DataTel system. All financial transactions will need to be posted and reconciled correctly prior to this year's audit.

**Standard Implemented: Partially**

April 2007 Rating: 2  
January 2008 Rating: 3  
July 2008 Rating: 3



## **ACCJC Standard III-D: Financial Resources**

### **FCMAT Financial Management Standard 12.3 – Accounting, Purchasing and Warehousing**

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#### **Professional Standard:**

The college forecasts its revenues and expenditures and verifies those projections monthly to adequately manage its cash. In addition, the college reconciles its cash to bank statements and reports from the county treasurer monthly. Standard accounting practice dictates that, to ensure that all cash receipts are deposited timely and recorded properly, cash is reconciled to bank statements monthly.

#### **Sources and Documentation:**

1. Various financial reports generated from PeopleSoft and DataTel
2. CCCD Report on Audit of Financial Statements (June 30, 2007)
3. Bank statements

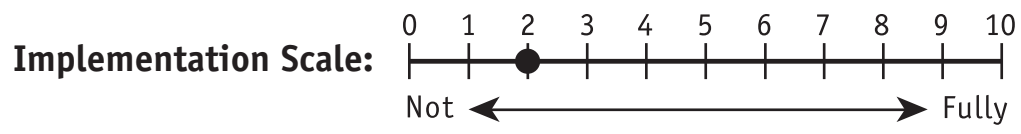
#### **Progress on Implementing the Recommendations of the Recovery Plan:**

1. No evidence was found that cash balances are monitored or that cash flows are documented or projected. There is no indication that Business Office management oversees cash management.
2. Reconciliation of bank statements is not performed monthly with review by appropriate levels of management personnel. Under the provisions of AB 318, the college has access to an established line of credit for cash flow. The district's drawdowns against the line of credit are \$7,896,800 for 2007-08 and projected to be \$6,538,000 for 2007-08.
3. While the district appears to be in no imminent danger regarding its current cash position because funds are accessible via AB 318, staff should begin to manage its cash as if the funds were not available. Based on the specific language contained in AB 318 regarding stabilization income and declining guarantee of FTES, the district could balance its budget by reducing expenditures and staff commensurate with the current FTES projection. This could lessen the need for the line of credit and reduce further debt financing to fund the district.
4. The district maintains a cash clearing account with a local bank to clear cash deposits. The account reviewed by FCMAT had a balance of approximately \$860,000 in cash that had not been posted to the appropriate revenue accounts and thus had not been reconciled. Furthermore, these funds had been deposited in a non interest bearing account, resulting in lost revenue. All cash deposits should earn interest and move into the County Treasury monthly, at a minimum.

#### **Standard Implemented: Partially**

April 2007 Rating:	2
January 2008 Rating:	2
July 2008 Rating:	2





## ACCJC Standard III-D: Financial Resources

### FCMAT Financial Management Standard 12.4 – Accounting, Purchasing and Warehousing

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#### Legal Standard:

The college's payroll procedures are in compliance with established requirements (Education Code Section 85241). Standard accounting practice dictates that the college implements procedures to ensure the timely and accurate processing of payroll.

#### Sources and Documentation:

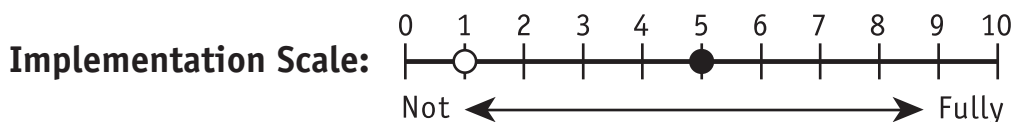
1. Various financial reports generated from PeopleSoft and DataTel
2. CCCD Report on Audit of Financial Statements (June 30, 2007)

#### Progress on Implementing the Recommendations of the Recovery Plan:

1. The Payroll Department has stabilized with the addition of two permanent employees. Payroll training has been provided by the El Camino Community College staff and is complete. This has resulted in significant improvement in payroll processing.
2. The processing of payroll and benefits is accomplished through an interface between the HRS position control system and both DataTel and PeopleSoft systems. El Camino's DataTel system now contains all payroll transactions. LACOE runs all payroll transactions to generate payroll warrants for the district.

#### Standard Implemented: Partially

April 2007 Rating: 1  
January 2008 Rating: 5  
July 2008 Rating: 5



## ACCJC Standard III-D: Financial Resources

### FCMAT Financial Management Standard 12.5 – Accounting, Purchasing and Warehousing

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#### Professional Standard:

Standard accounting practice dictates that the accounting work is properly supervised and work reviewed to ensure that transactions are recorded timely and accurately, and allow the preparation of periodic financial statements.

#### Sources and Documentation:

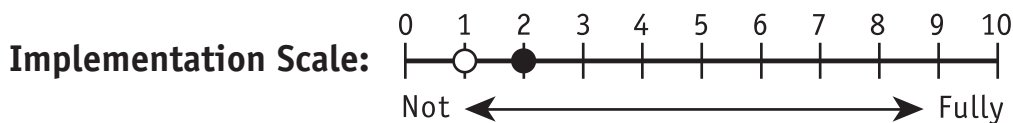
1. CCCD Report on Audit of Financial Statements (June 30, 2007)

#### Progress on Implementing the Recommendations of the Recovery Plan:

1. As evidenced by the number and subject matter of the findings in the most recent audit report, for the year ended June 30, 2007, there were significant issues with the accuracy of the accounting transactions. Many of these findings occurred in the prior year's audit and remain unresolved.
2. Financial data is being posted to both the DataTel and PeopleSoft systems due to the interface requirements for payroll data. The DataTel system is used for the 2007-08 fiscal year to prepare the Form 311 reports for each quarter. PeopleSoft data is utilized because the payroll transactions post immediately and are timelier for preparation of the 311 reports.
3. Based on the current and past audit findings and recommendations, it appears that the financial accounting and detail transactions are not properly supervised or reviewed by appropriate management personnel. The current Business Office staffing and organizational structure is deficient and lacks the demonstrated experience to properly process, record and post accounting transactions.

#### Standard Implemented: Partially

April 2007 Rating: 1  
January 2008 Rating: 2  
July 2008 Rating: 2



## ACCJC Standard III-D: Financial Resources

### FCMAT Financial Management Standard 12.7 – Accounting, Purchasing and Warehousing

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#### Professional Standard:

Generally accepted accounting practices dictate that, to ensure accurate recording of transactions, the college have standard procedures for closing its books at fiscal year-end. The college's year-end closing procedures should comply with the procedures and requirements established by the Chancellor's Office.

#### Sources and Documentation:

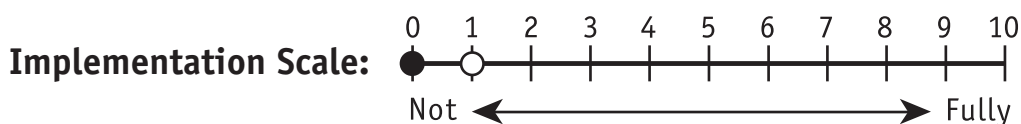
1. 2006-07 PeopleSoft Financial System Year-End Closing Procedures and Schedules (LACOE)
2. Year-End Financial Review Checklist (internal)
3. Journal entries and backup documentation
4. Closing trial balance and other financial reports from PeopleSoft and DataTel
5. Compton CCD Report on Audit of Financial Statements (June 30, 2007)

#### Progress on Implementing the Recommendations of the Recovery Plan:

1. The books were closed timely, but the degree of accuracy is questionable based on the audit findings of the past two audit reports. Due to the status of the financial records, the college incurred an exorbitant amount of fees to complete the audit. Audit costs for the 2006-07 fiscal year exceeded \$190,000. A detailed checklist and extensive training would assist the staff and provide best practices for a complete and comprehensive close for the fiscal year.
2. Business Office personnel have not been trained in the closing process. Each member of the Business Office should be assigned specific tasks for the closing. Tasks should be completed by a specified deadline to coincide with state reporting requirements. The staff has been trained in how to use the new account code structure and convert transactions from the DataTel configuration to the PeopleSoft configuration.
3. The Business Office staff needs strong oversight and supervision. An experienced interim Chief Business Official has been hired to stabilize processes, ensure supervision and provide guidance.

#### Standard Implemented: Not Implemented

April 2007 Rating: 1  
January 2008 Rating: 1  
July 2008 Rating: 0



## ACCJC Standard III-D: Financial Resources

### FCMAT Financial Management Standard 12.9 – Accounting, Purchasing and Warehousing

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#### Professional Standard:

The college has documented procedures for the receipt, expenditure and monitoring of all construction-related activities. Included in the procedures are specific requirements for the approval and payment of all construction-related expenditures.

#### Sources and Documentation:

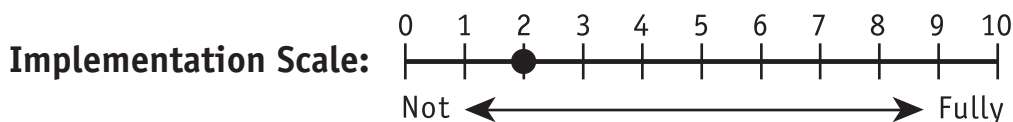
1. Board agenda items for purchases and for approval of bidding process
2. Compton CCD Report on Audit of Financial Statements (June 30, 2007)
3. Compton CCD Policy Manual of the Board of Trustees (Draft, 2003)
4. Bid Threshold and Bond Requirements (Compton CCD document dated April 2003)
5. Measure CC General Obligation Bonds with Independent Accountants' Report on Applying Agreed-Upon Procedures (dated June 30, 2007)

#### Progress on Implementing the Recommendations of the Recovery Plan:

1. The team could not find evidence that board policies on purchasing and bidding practices have been updated.
2. The Center needs to establish policies and procedures to address and make corrective actions for ongoing audit findings.
3. It appears that several invoices have been submitted for payment that lacked verifiable documentation that construction activities have occurred. A procedure should be implemented that allows the Chief Business Official to sign off on work performed. Because the Compton CCD had no permanent CBO, the college President signed invoices for payment.
4. The Compton CCD has not implemented the necessary procedure for conducting internal audits of construction activities to substantiate the billings for those activities. Because of questionable construction costs, the college intends to conduct a separate and independent audit of vendor invoices on the LLRC construction project.

#### Standard Implemented: Partially

April 2007 Rating: 2  
January 2008 Rating: 2  
July 2008 Rating: 2



## ACCJC Standard III-D: Financial Resources

### FCMAT Financial Management Standard 13.1 – Student Body Funds

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#### Professional Standard:

The Governing Board adopts policies and procedures to ensure compliance regarding how student body organizations deposit, invest, spend, raise and audit student body funds.

#### Sources and Documentation:

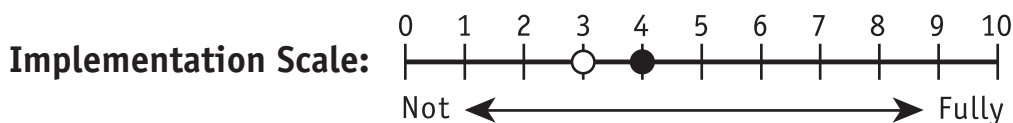
1. Associated Student Body Finance Policy and Procedures (undated)
2. Compton CCD Policy Manual of the Board of Trustees (Draft, 2003)
3. Associated Student Body Finance Code and Procedures

#### Progress on Implementing the Recommendations of the Recovery Plan:

1. No updates to board policies to provide overall guidance on the purpose, establishment, and conduct of a student body organization were provided other than the policies reviewed for the initial report. These policies should include as a subset the financial aspects of the student body organization's operations.
2. A draft of the ASB Finance Code and Procedures is being utilized by staff and students as a baseline document. Administrative regulations are included, offering adequate guidance to ensure the consistent application of procedures.
3. Employees and students have been provided adequate training in the appropriate policies and procedures that govern ASB accounting.

#### Standard Implemented: Partially

April 2007 Rating: 3  
January 2008 Rating: 3  
July 2008 Rating: 4



**ACCJC Standard III-D: Financial Resources**  
**FCMAT Financial Management Standard 13.4 – Student Body Funds**

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**Professional Standard:**

Monitoring is performed by the Business Services Office to provide adequate oversight of student funds and to ensure proper handling and reporting.

**Sources and Documentation:**

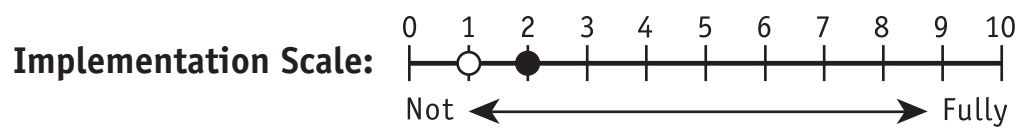
1. Associated Student Body Finance Policy and Procedures (undated)
2. Compton CCD Policy Manual of the Board of Trustees (Draft, 2003)
3. Compton CCD Report on Audit of Financial Statements (June 30, 2007)
4. Sample completed source documents and bank reconciliation

**Progress on Implementing the Recommendations of the Recovery Plan:**

1. The Dean of Student Services has established defined practices and procedures to ensure timely resolution of audit findings. Documentation from the Internal Auditor supports that audit findings are being addressed and procedures have been implemented to prevent future findings.
2. The Center should ensure that postings to the general ledger are timely and accurate. One employee is assigned full responsibility for ASB accounting. This has provided stability and consistency. However, the records are not reviewed by another employee or a manager. The lack of checks and balances in place to monitor this activity violates internal control procedures for appropriate separation of duties and creates a risk for misappropriation of assets.
3. At the time of fieldwork (May 2008), the bank account had been reconciled through March 31, 2008. The Center should establish time lines for bank reconciliations to make adjusting entries and verification of the correct cash balance.
4. Monthly financial statements have not been prepared in a timely manner and are not distributed to Business Office management, the student body president or the board. The Center should establish written guidelines to ensure that the financial statements are prepared in a timely manner and distributed to the appropriate personnel monthly.
5. The Business Office does not schedule periodic internal audits for student body funds. Internal audits can detect errors that could be corrected, thereby reducing audit findings. Additionally, internal audits provide management with some assurance that policies and procedures are properly followed by staff and students. Because an Internal Auditor was recently hired, it is anticipated that periodic audits will be conducted in the 2008-09 fiscal year.

**Standard Implemented: Partially**

April 2007 Rating:	1
January 2008 Rating:	1
July 2008 Rating	2





**ACCJC Standard III-D: Financial Resources**

**FCMAT Financial Management Standard 14.2 – Multiyear Financial Projections**

**Professional Standard:**

The college annually provides a multiyear revenue and expenditure projection for all funds of the college. Projected fund balance reserves are disclosed. The assumptions for revenues and expenditures are reasonable and supportable.

**Sources and Documentation:**

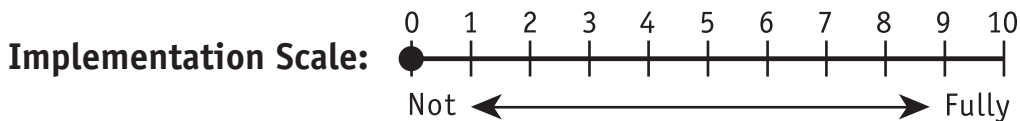
1. 2007-08 tentative and final budgets
2. 2007-08 tentative and final budgets
3. 2007-08 Financial Status Report 311Q

**Progress on Implementing the Recommendations of the Recovery Plan:**

1. Compton CCD continues to be hampered by the lack of Business Office leadership and does not prepare multiyear financial projections.

**Standard Implemented: Not Implemented**

April 2007 Rating: 0  
January 2008 Rating: 0  
July 2008 Rating: 0



## ACCJC Standard III-D: Financial Resources

### FCMAT Financial Management Standard 15.1 – Long-Term Debt Obligations

#### Professional Standard:

The college complies with public disclosure laws of fiscal obligations related to health and welfare benefits for retirees, self-insured workers' compensation, and collective bargaining agreements.

#### Sources and Documentation:

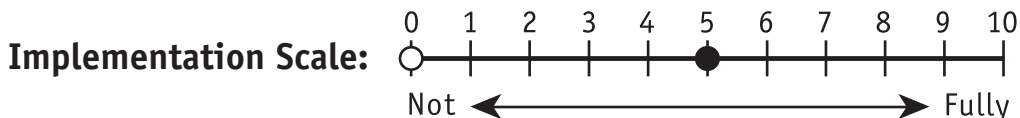
1. Business Office files
2. Audit reports dated June 7, 2007
3. Actuarial reports

#### Progress on Implementing the Recommendations of the Recovery Plan:

1. Compton CCD has completed an actuarial for workers' compensation and has complied with the GASB 43 requirements one year before the required date. The liability has been determined and remains unfunded.
2. An actuarial review of the Workers Compensation Program dated June 7, 2007, projects the unpaid losses as reported on the statement of net assets at \$1,290,000 if discounted at 3%, or undiscounted at \$1,559,000.
3. The annual financial audit report for the 2006-07 fiscal year reports a fund balance of -\$906,691. This amount has increased in one year from -\$522,686.
4. Retirees meeting eligibility requirements receive medical, dental and vision coverage not to exceed ten years. The college recognizes this other post-employment benefit (OPEB) on a pay-as-you-go-basis. The total expenditure for the OPEB was \$443,773 for the 2006-07 fiscal year. No actuarial data was provided regarding the unfunded liability for OPEB.

#### Standard Implemented: Partially

April 2007 Rating: 0  
January 2008 Rating: 5  
July 2008 Rating: 5



## ACCJC Standard III-D: Financial Resources

### FCMAT Financial Management Standard 16.1 – Impact of Collective Bargaining

#### Professional Standard:

The college has developed parameters and guidelines for collective bargaining that ensure that the collective bargaining agreement is not an impediment to efficiency of college operations. At least annually, collective bargaining agreements are analyzed by management to identify those characteristics that are impediments to effective delivery of college operations. The college identifies those issues for consideration by the Governing Board. The Governing Board, in the development of its guidelines for collective bargaining, considers the impact on college operations of current collective bargaining language, and proposes amendments to contract language as appropriate to ensure effective and efficient college delivery. Governing Board parameters are provided in a confidential environment, reflective of the obligations of a closed executive board session.

#### Sources and Documentation:

1. Human Resource Department files
2. Tentative bargaining agreement for certificated bargaining unit
3. Interviews of Business Office management
4. Calculations to support the cost of the certificated agreement

#### Progress on Implementing the Recommendations of the Recovery Plan:

1. The Compton District has completed negotiations for the certificated bargaining unit for the 2007-08 fiscal year. Reopeners for 2008-09 have not been presented as of the time of this review. The reopeners include compensation and three articles.

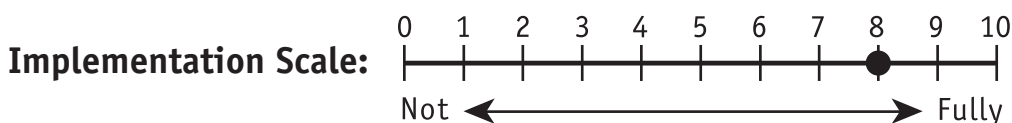
The classified bargaining unit has elected to delay negotiations pending the fiscal stability of the Compton CCD.

#### Standard Implemented: Fully - Substantially

April 2007 Rating: 8

January 2008 Rating: 8

July 2008 Rating: 8



**ACCJC Standard III-D: Financial Resources**  
**FCMAT Financial Management Standard 18.1 – Maintenance and Operations**  
**Fiscal Controls**

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**Professional Standard:**

The college has a comprehensive risk management program that monitors the various aspects of risk management including workers' compensation, property and liability insurance, and maintains the financial well being of the college.

**Sources and Documentation:**

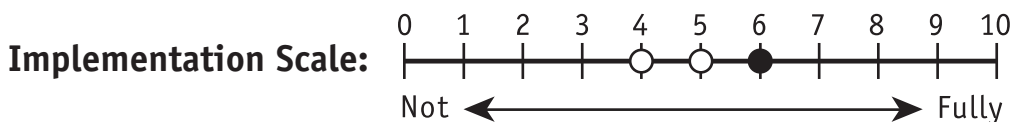
1. The Compton CCD budget, unaudited actuals, board policies and insurance policies
2. Staff interviews
3. Actuarial Review dated June 7, 2007
4. Safety Program Guidelines
5. Return to Work Program Guidelines

**Progress on Implementing the Recommendations of the Recovery Plan:**

1. Workers' compensation is still underfunded according to documents reviewed for the 2007-08 budget and 2006-07 Annual Financial Audit Report.
2. Management estimates that the unfunded liability for the current workers' compensation program will be fully funded within one year. The Human Resources Specialist is working with the Accounting Manager on budget projections for workers' compensation costs.
3. Compton CCD has joined the other colleges in the JPA for the administration of workers' compensation through Keenan and Associates.
4. The current rate charged to the general fund did not reflect the actual rate or the amount to fully fund the program. Claims loss runs and reports were produced by staff and clearly identified improvements as evidenced by a decline in injury reports and the addition of safety meetings. The college has also implemented a return-to-work program for injured employees that has contributed to the decline in workers' compensation costs.

**Standard Implemented: Partially**

April 2007 Rating: 4  
January 2008 Rating: 5  
July 2008 Rating: 6



**ACCJC Standard III-D: Financial Resources**  
**FCMAT Financial Management Standard 18.2 – Maintenance and Operations**  
**Fiscal Controls**

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**Professional Standard:**

The college has a work order system that tracks all maintenance requests, the worker assigned, dates of completion, labor time spent and the cost of materials.

**Sources and Documentation:**

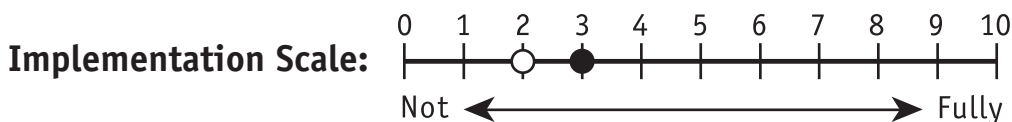
1. District documents
2. Staff Interviews

**Progress on Implementing the Recommendations of the Recovery Plan:**

1. The Compton CCD Maintenance Department has abandoned the automated work order software system called School Dude. The system has been in place for the last five years but has not been accepted or utilized by faculty or staff. It does not track labor and material costs, total jobs in process or completed jobs. Sites and departments communicate either through e-mail or phone directly to the Facilities Department. The Maintenance Department has taken a proactive approach and conducts regular site visits. While the process does not meet the professional standard, marked improvements in site and building maintenance, bathrooms and campus safety are visible. The department is in the process of identifying a new automated work order system.
2. Any system change should parallel the decision-making process with the college's facilities master plan, which has been completed with the assistance from tBP Architects. Given the declining number of students, the facilities master plan could dictate different priorities and spending regarding maintenance programs for the buildings that are in use. Approximately 90% of the campus facilities are still being utilized during a period that has seen overall student enrollment decline more than 50%.

**Standard Implemented: Partially**

April 2007 Rating: 2  
January 2008 Rating: 2  
July 2008 Rating: 3



**ACCJC Standard III-D: Financial Resources**  
**FCMAT Financial Management Standard 18.3 – Maintenance and Operations**  
**Fiscal Controls**

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**Professional Standard:**

The college controls the use of facilities and charges fees for usage in accordance with college policy.

**Sources and Documentation:**

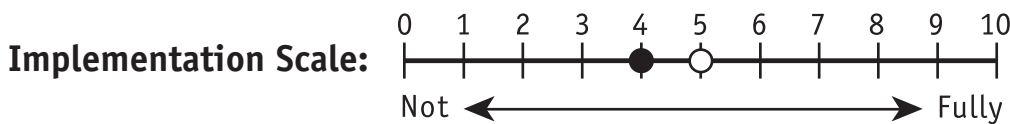
1. Compton CCD policies
2. Staff interviews
3. Interview with Internal Auditor

**Progress on Implementing the Recommendations of the Recovery Plan:**

1. The district is in the process of updating the facilities usage policy. The update will include a new fee structure, insurance requirements, campus usage, internal controls, security requirements and compliance with the facilities master plan. The plan will identify the different groups that can access the facilities and the appropriate charges for each type of user. The process includes a Scheduler position to review room and site availability. The department communicates facility usage through the use of Microsoft Outlook Calendar. Staff has begun planning meetings and had initially scheduled the completion of this policy update during the current fiscal year.
2. The district has had difficulty determining the allocation of room and master keys and has retained a security consultant to assist with a campus-wide security program. The Department has completed the installation of an electronic key card system for the Math and Science wing and has plans to expand this installation to the Vocational Education building. This system has the ability to program entrance times and links each card to specific employee identification numbers. The system is centralized and can be controlled and monitored by the Maintenance Department.

**Standard Implemented: Partially**

April 2007 Rating: 5  
January 2008 Rating: 5  
July 2008 Rating: 4



**ACCJC Standard III-D: Financial Resources**  
**FCMAT Financial Management Standard 18.4 – Maintenance and Operations**  
**Fiscal Controls**

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**Professional Standard:**

The Maintenance Department follows standard college purchasing protocols. Open purchase orders may be used if controlled by limiting the employees authorized to make the purchase and the amount.

**Sources and Documentation:**

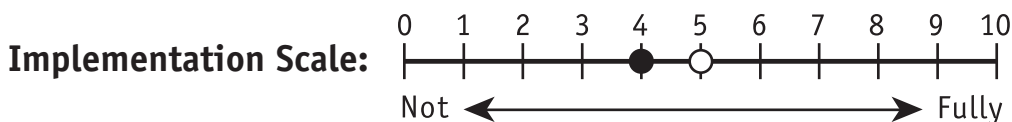
1. Compton CCD documents and employee interviews

**Progress on Implementing the Recommendations of the Recovery Plan:**

1. Due to the Compton CCD's recent economic difficulties, there continues to be a policy of limited open purchase orders for maintenance. All purchasing for maintenance and operations is accomplished through the district's requisition/purchase order process. Purchasing limitations have been established with proper authorization from the Director of Facilities.
2. Because open purchase orders have limited use, the district operates with one credit card and four internal fuel cards that are available only for emergency purchasing needs and fueling. The department inherited a rollover budget from the prior fiscal year and has begun to identify and analyze projected costs for the 2008-09 fiscal year. The department continues to utilize Excel spreadsheets to monitor the financial activity for all open purchase orders and other transactions. Because of the lack of a timely budget, the Maintenance and Operations Department has had to utilize alternative methodologies to track and maintain its operating budget. The optimal approach is for the district to utilize the current financial software system and build line item budgets that can be encumbered and accurately reflect the college's financial status. Until a formal budget process and system training is implemented, departments are forced to use these alternative types of tracking methods.

**Standard Implemented: Partially**

April 2007 Rating: 5  
January 2008 Rating: 5  
July 2008 Rating: 4



**ACCJC Standard III-D: Financial Resources**  
**FCMAT Financial Management Standard 18.5 – Maintenance and Operations**  
**Fiscal Controls**

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**Professional Standard:**

Materials and equipment/tools inventory are safeguarded from loss through appropriate physical and accounting controls.

**Sources and Documentation:**

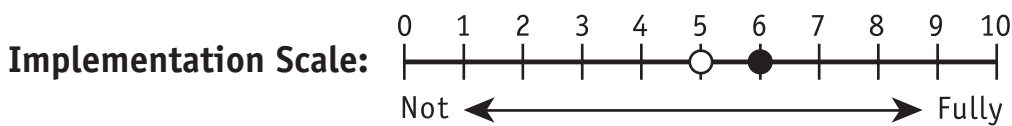
1. Compton CCD documents and employee interviews

**Progress on Implementing the Recommendations of the Recovery Plan:**

1. The Compton CCD maintains a secured, inventoried supply area for maintenance and operations. The college uses the Allied Health Building as a staging center to inventory all equipment, tools and supplies. Specific tool kits for carpentry, plumbing and some other trades are issued to employees based on a standardized list that correlates with each job type or trade assignment. Rate of use is then monitored for evidence of proper use or misuse. The department also has tool kits available for other employees to check out.
2. The Compton CCD appears to have a capable physical inventory system, although it is a manual system. The college anticipates acquiring and installing a new maintenance work order system. One of the considerations is whether the work order system can accommodate the inventory process for materials and equipment.

**Standard Implemented: Partially**

April 2007 Rating: 5  
January 2008 Rating: 5  
July 2008 Rating: 6





**ACCJC Standard III-D: Financial Resources**  
**FCMAT Financial Management Standard 21.1 – State-Mandated Cost**

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**Professional Standard:**

The college has procedures that provide for the appropriate oversight and management of mandated cost claim reimbursement filing. Appropriate procedures cover: the identification of changes to existing mandates; training staff regarding the appropriate collection and submission of data to support the filing of the mandated costs claims; forms, formats, and time lines for reporting mandated cost information; and review of data and preparation of the actual claims.

**Sources and Documentation:**

1. Telephone interview with Compton CCD consultant preparing claims
2. Contract for services to prepare 2005-06 through 2006-07 claims

**Progress on Implementing the Recommendations of the Recovery Plan:**

1. Discussions were held with the Compton CCD consultant contracted to prepare the mandated cost claims. The 2005-06 claim was filed January 2008. The consultant expects to file the 2006-07 claim by October 2008.

Mandated cost claims are an opportunity for Compton CCD to recover funds expended for activities that are mandated by the state. When claims for mandated cost are filed late, the claim is subject to a reduction by the State Controller. Compton CCD management should ensure that claims are filed on a timely basis to receive the maximum amount due the district.

**Standard Implemented: Partially**

April 2007 Rating: 2  
January 2008 Rating: 2  
July 2008 Rating: 3

