



Notice/Agenda of April 2021 BOT Meeting

**The Board of Trustees
College of the Mainland
Doyle Family Administration Boardroom (A129)
Monday, April 26, 2021
1200 Amburn Road
Texas City, TX 77591**

April 2021 BOT Meeting of the Board of Trustees of College of the Mainland will be held Monday, April 26, 2021, beginning at 1:30 PM in the Doyle Family Administration Boardroom (A129), 1200 Amburn Road, Texas City, Texas 77591.

The subjects to be discussed or considered or upon which any formal action may be taken are as listed below. The items listed in this notice may be considered in any order at the discretion of the Chair or Board and items listed for closed session discussion may be discussed and/or approved in open session and vice versa as permitted by law.

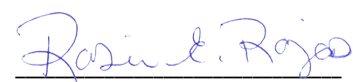
Unless removed from the consent agenda, items identified within the consent agenda will be acted on at one time.

1. **Call to Order**
2. **Pledge of Allegiance (American Flag), Texas Pledge & a Moment of Silence**
3. **Roll Call & Determination of Quorum**
4. **Minutes**
 - A. Consideration of and Possible Action to Approve the Full Board Minutes of Wednesday, March 31, 2021
5. **Comments from the Community**
 - A. Students
 - B. Employees
 - C. Other Citizens
6. **Constituent Leader Activity Reports**
 - A. Faculty Senate
 - B. Students
7. **Human Resources Items**
 - A. Consideration of and Possible Action on the Appointment Nomination of Kayla Molnar to the Position of College Connections Advisor, Recruitment Department
 - B. Consideration of and Possible Action on the Appointment Nomination of Theophilus Boye to the Position of Faculty Math, Mathematics Department
 - C. Consideration of and Possible Acceptance of the 2021-2022 Faculty Re-Appointment List
 - D. Consideration of and Possible Acceptance of the 2021-2022 Professional Re-Appointment List

8. **Consideration of and Possible Approval to Request a Change Order Proposal for the Renovations of the Math/Science Building as Identified in the Master Plan to Contract 20-29 Awarded to Austin Commercial**
9. **Fine Arts Building Addition/Renovation Design Update**
 - A. PBK will present the update.
10. **Internal Audit Report(s)**
 - A. Consideration of and Possible Acceptance of the Annual Internal Audit Report
 - B. Consideration of and Possible Acceptance of the Internal Audit Report on Human Resources Administration
11. **Expanded Corequisites and the Second Chance Boot Camp**
12. **Financial Report(s)**
 - A. Consideration of and Possible Acceptance of the March 2021 Investment and Financial Reports
13. **Board Report**
14. **President's Report**
 - A. Updates
 - B. Reminders/Announcements
 1. Early Voting - April 19-23 and April 26-27, Conference Center
 2. Voting Day - May 1st, Conference Center
 3. STEAM Building Ribbon Cutting/Industrial Careers Building Groundbreaking - April 30th at 2 p.m., STEAM Building
 4. Spring 2021 Virtual Graduation Ceremony - May 15th at 10 a.m.
 5. Return to Campus - June 1st
 - C. Resignations and Retirement Report
 - D. Miscellaneous
15. **Adjournment to closed or executive session pursuant to Texas Government Code of the Open Meetings Act Section 551.089 - deliberation regarding security devices or security audits.***
 - A. Update to 2019 ITS Security Audit
 - B. Internal Audit Report for Disaster Recovery/Business Continuity Planning
16. **Possible Action on Agenda Items, Including Closed Session Matters**
 - A. Consideration of and Possible Acceptance of the Internal Audit Report on Disaster Recovery and Business Continuity Planning
17. **Adjourn**

**If, during the course of the meeting, discussion of any item on the agenda should be held in a closed meeting, the Board reserves the right to conduct a closed meeting in accordance with the Texas Open Meetings Act, Texas Government Code, Chapter 551, Subchapters D and E, including but not limited to the following provisions; 1)Section 551.071-consultation with attorney, 2)Section 551.072-deliberation regarding real property, 3) Section 551.073-deliberation regarding prospective gifts, 4)Section 551.074-deliberation regarding personnel matters, and/or complaints against school personnel, 5)Section 551.082-deliberation regarding student disciplinary matters and/or complaints against personnel. 6)Section 551.087-deliberation regarding economic development negotiations, and/or 7)Section 551.089 – deliberation regarding security devices or security audits. Before any closed meeting is convened, the presiding officer will publicly identify the section or sections of the Act authorizing the closed meeting. All final votes, actions, or decisions will be taken in open meeting.*

The notice for this meeting was posted in compliance with the Texas Open Meeting Act on, The notice for this meeting was posted in compliance with the Texas Open Meeting Act on Thursday, April 22, 2021 5:00 P.M..



Rosie E. Rojas

President Warren Nichols Ed.D.

Board Clerk

Vice President Jerry Fliger, Ph.D.

Vice President Clen Burton, Ph.D.

Vice President Helen Brewer, Ph.D.

Vice President Lisa Watson, Ph.D.



PRESIDENT'S OFFICE

Call to Order

Call to Order on (insert date)
at (insert time)



PRESIDENT'S OFFICE

Pledge of Allegiance to the American Flag
Texas Pledge
Moment of Silence

The Texas State Flag Pledge
"Honor the Texas flag; I pledge
allegiance to thee, Texas, one state under
God, one and indivisible."



College of the Mainland
Board of Trustees
May 2019

Mr. Kyle L. Dickson, Board Chair
2514 Pilgrim Estate Dr.
Texas City, TX 77590
281-488-0630
kdickson@murray-lobb.com

Mr. Alan L. Waters, Board
Vice-Chair
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409-655-5055
awaters1@com.edu

Mrs. Dawn King, Trustee
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Dr. Verna J. Henson
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409-995-0948
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Mr. Don Gartman, Trustee
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Texas City, 77590
409-739-2618
dgartman@com.edu

Mrs. Melissa Skipworth, Trustee
1061 Misty Cliff
Dickinson, TX 77539
281-684-9146
mskipworth@com.edu



MINUTE ORDER

To: Board of Trustees
From: Dr. Warren Nichols, President
Date: April 26, 2021
Subject: Full Board Minutes

Presented for recommended acceptance to Board of Trustees on the same date.

MINUTE ORDER

Motion to be acted upon: "I move the Board of Trustees approve the Full Board Minutes of March 31, 2021."

PURPOSE

To ensure accuracy of the monthly minutes.

BACKGROUND

Minutes are brought forward every month for approval.

IMPLICATIONS

Financial: N/A

Strategic Goal #1: Strategic Goal #5: College of the Mainland will provide services/processes that enhance the integrity/safety/quality of the institution (including physical facilities) and that enhance the quality of the faculty and staff.

Human Resources: N/A

Attachments

1. Minutes of 3/31/21

**College of the Mainland
Board of Trustees
Minutes of Wednesday, March 31, 2021
1:30 p.m., COM Conference Center**

Call to Order – Kyle Dickson called the meeting to order at 1:30 p.m.

Pledge of Allegiance (American Flag), Texas Pledge & a Moment of Silence

Roll Call & Determination of Quorum

Roll call indicated that all Trustees were present except Alan Waters and Verna Henson.

Minutes

Consideration of and Possible Action to Approve the Full Board Minutes of Friday, February 26, 2021

Melissa Skipworth moved for approval of the Full Board Minutes of Friday, February 26, 2021. Don Gartman seconded the motion; all voted in approval.

Acknowledgement of Donations

Mayor James Tabor and Gina Welsh from Santa Fe Education Foundation presented a donation to the Santa Fe Opening Doors Promise Program.

Mary Dunbaugh, President, Pastor Johnnie Simpson, Jr., Vice President, Dr. Perry Fulcher, Kimberly Westerlage, and C. Wayne Brown from Dickinson Management District No. 1 presented a donation to the Dickinson Opening Doors Promise Program.

Comments from the Community

There were no comments from the community this month.

Constituent Leader Activity Reports

Faculty Senate – R.E. Davis updated the Board on faculty activities.

Students – Leslie Leyva, SGA VP – Leslie Leyva updated the Board on student activities.

PTK Officer Update

PTK Officers updated the Board on their activities, including receiving the 5-Star Chapter Award and the Mind, Body, and Soul Project.

Consideration of and Possible Acceptance of the Non-Contractual Hiring Report

Don Gartman moved the Board of Trustees accept the non-contractual hiring report. Melissa Skipworth seconded the motion; all voted in approval.

Consideration of and Possible Action to Approve the New Associate of Applied Science in Accounting

Melissa Skipworth moved the Board of Trustees approve the New Associate of Applied Science in Accounting. Bill McGarvey seconded the motion; all voted in approval.

Consideration of and Possible Action to Award Contract 21-13 to Ace Mart for a Not-to-Exceed Amount of \$108,123.12 to be Paid from 2018 Bond Funds

Don Gartman moved the Board of Trustees award contract 21-13 to Ace Mart for a not-to-exceed amount of \$108,123.12 to be paid from 2018 Bond funds. Melissa Skipworth seconded the motion; all voted in approval.

Consideration of and Possible Action to Approve the Lease Agreement between College of the Mainland and JMK5 Texas City, Ltd.

Don Gartman moved the Board of Trustees approve the lease agreement between College of the Mainland and JMK5 Texas City, Ltd. Dawn King seconded the motion; all voted in approval. Kyle Dickson abstained from voting.

Update Report on Admissions/Registrar Audit

Dr. Stanfield updated the Board on the Admissions/Registrar audit.

Financial Report(s)

Consideration of and Possible Acceptance of the February 2021 Investment and Financial Reports

Melissa Skipworth moved the Board of Trustees accept the February 2021 Investment and Financial Reports. Don Gartman seconded the motion; all voted in approval.

Consideration of and Possible Acceptance of the November 2020 and February 2021 Quarterly Investment Report(s)

Melissa Skipworth moved the Board of Trustees accept the November 2020 and February 2021 Quarterly Investment Reports. Don Gartman seconded the motion; all voted in approval.

Board Report

Bill McGarvey recognized the CARES 2 letter that was sent to students and stressed the importance of sharing the information with others.

Diane Burkett and Dr. Kris Kimbark updated the Board on the marketing plan for advertising the Promise Program to high school seniors.

President's Report

Updates

Board Self Evaluations – Dr. Nichols explained the Board self-evaluation process.

Reminders/Announcements

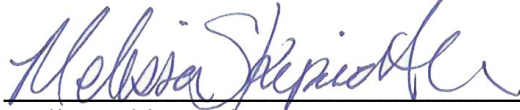
VIP event to celebrate COM success - STEAM Building on April 15th from 6-7:30 p.m.

Groundbreaking event for Industrial Careers Building, ribbon cutting for STEAM and Administration Buildings, and public open house for both buildings on April 30th from 2-4 p.m.

Dr. Nichols hopes to have next month's BOT meeting in the new Boardroom in the Administration Building.

Resignations and Retirements Report– report attached in BOT packet.

Adjournment at 3:15 p.m.



Melissa Skipworth, Secretary
Board of Trustees



Kyle Dickson, Chair
Board of Trustees

Comments from the Community

A citizen desiring to appear before the Board of Trustees shall complete a Public Comment Request Form indicating the topic about which they wish to speak which shall be filed with the Board Clerk ten (10) minutes prior to the start of the meeting. Time allotted each citizen or organization shall be limited to five minutes. The total time for hearing of citizens shall be no more than 60 minutes at any one meeting. Presentation of matters concerning a complaint or charge against a College District employee or officer will be heard in closed session unless the individual who is the subject of the change or complaint requests a public hearing.

We appreciate your concerns. If the matter(s) you raise are not included on the board agenda, state law, specifically the Texas Open Meetings Act, prohibits the Board from discussing, commenting on or taking action on these issues at this board meeting. Thank you.



PRESIDENT'S OFFICE

Constituents Leader Activity Reports

A. Faculty Senate – Dr. R.E. Davis

B. Students – Emily Escobar, SGA Vice President



PRESIDENT'S OFFICE

MINUTE ORDER

To: Board of Trustees
From: Dr. Warren Nichols, President
Date: April 26, 2021
Subject: Recommendation – College Connections Advisor (Replacement)

Presented for recommended approval to the Board of Trustees on April 26, 2021 and forwarded for recommended approval to Board of Trustees on the same date.

MINUTE ORDER

Motion to be acted upon: “I move the Board of Trustees approve the appointment of Kayla Molnar to the position of College Connections Advisor, Recruitment Department.”

PURPOSE

This position will work with multiple high schools within the college service area. The primary responsibilities will be to create a college going culture and to assist students in the transition to college, including facilitation of the admissions and registration process for Dual Credit.

BACKGROUND

This position is replacing Destiny Andrews who changed departments January 2021.

IMPLICATIONS

Financial: \$50,139 from budget 11-0-0000-4131-5140.

Strategic Goal 5: College of the Mainland will provide services/processes that enhance the integrity/safety/quality of the institution (including physical facilities) and that enhance the quality of the faculty and staff.

ATTACHMENTS

1. Appointment Nomination



PRESIDENT'S OFFICE

MINUTE ORDER

To: Board of Trustees
From: Dr. Warren Nichols, President
Date: April 26, 2021
Subject: Recommendation – Faculty Math (Replacement)

Presented for recommended approval to the Board of Trustees on April 26, 2021 and forwarded for recommended approval to Board of Trustees on the same date.

MINUTE ORDER

Motion to be acted upon: “I move the Board of Trustees approve the appointment of Theophilus Boye to the position of Faculty Math, Mathematics Department.”

PURPOSE

Responsible for providing instruction within the appropriate department/program. Develop and revise curriculum and course work. Provide scheduled office hours for student consultation. Serves on College committees as needed and assigned. Participate in student oriented instructional and advisement activities as needed and assigned.

BACKGROUND

This is a replacement position for David Hatch Burks who resigned August 2020.

IMPLICATIONS

Financial: \$55,951 from budget 11-0-0000-1114-5100.

Strategic Goal 5: College of the Mainland will provide services/processes that enhance the integrity/safety/quality of the institution (including physical facilities) and that enhance the quality of the faculty and staff.

ATTACHMENTS

1. Appointment Nomination



MINUTE ORDER

To: Board of Trustees
From: Dr. Warren Nichols, President
Date: April 26, 2021
Subject: Recommendation – Approval of 2021-2022 Faculty Re-Appointment List

Presented for recommended approval to the Board of Trustees on April 26, 2021 and forwarded for recommended approval to the Board of Trustees on the same date.

MINUTE ORDER

Motion to be acted upon: “I move the Board of Trustees approve the 2021-2022 Faculty Re-Appointment List.”

PURPOSE

The purpose of the motion is to renew the listed Faculty employee contracts for the 2021-2022 academic year.

BACKGROUND

The College President has the sole authority to make recommendations to the Board regarding the selection of contractual Faculty personnel. The Board retains final authority for employment of contractual personnel.

IMPLICATIONS

Financial: None

Strategic Goal #5: College of the Mainland will provide services/processes that enhance the integrity/safety/quality of the institution and that enhance the quality of the faculty and staff.

Human Resources: Re-Appointment of Approved 2021-2022 Faculty Employees.

ATTACHMENT

2021-2022 Faculty Re-Appointment Lists



MINUTE ORDER

To: Board of Trustees
From: Dr. Warren Nichols, President
Date: April 26, 2021
Subject: Recommendation – Approval of 2021-2022 Professional Re-Appointment List

Presented for recommended approval to the Board of Trustees on April 26, 2021 and forwarded for recommended approval to the Board of Trustees on the same date.

MINUTE ORDER

Motion to be acted upon: “I move the Board of Trustees approve the 2021-2022 Professional Re-Appointment List.”

PURPOSE

The purpose of the motion is to renew the listed professional employee contracts for the 2021-2022 academic year.

BACKGROUND

The College President has the sole authority to make recommendations to the Board regarding the selection of contractual professional personnel. The Board retains final authority for employment of contractual personnel.

IMPLICATIONS

Financial: None

Strategic Goal #5: College of the Mainland will provide services/processes that enhance the integrity/safety/quality of the institution and that enhance the quality of the faculty and staff.

Human Resources: Re-Appointment of Approved 2021-2022 Professional Employees.

ATTACHMENT

2021-2022 Professional Re-Appointment Lists



PRESIDENT'S OFFICE

Minute Order

To: Board of Trustees
From: Dr. Warren Nichols, President
Date: April 26, 2021
Subject: Agenda item for COM Board of Trustees

AGENDA ITEM DESCRIPTION:

Request for Change Order proposal for the Math/Science building renovations per Contract 20-29 awarded to Austin Commercial.

FUNDING SOURCE:

2018 Bond Funds

PURPOSE

Contract with the current Construction Manager at Risk (CMaR) as the General Contractor to renovate the Math/Science building as identified in the Master Plan.

PROPOSED MOTION:

Suggested Motion: "I move the Board of Trustees approve requesting a Change Order proposal for the renovations of the Math/Science building as identified in the Master Plan to Contract 20-29 awarded to Austin Commercial.

BACKGROUND:

On October 26, 2020 the Board of Trustees approved the recommendation to award contract 20-29 to Austin Commercial as the Construction Manager at Risk (CMaR) for the new construction of the Industrial Careers and Police Department buildings for a Guaranteed Maximum Price (GMP) of \$35,855,317.00. Award of this contract was based on a two-step competitive proposal process whereby participating general contractors were vetted and Austin was the selected firm based on qualifications and final negotiations to reach a Guaranteed Maximum Price (GMP). The Math/Science building renovations were identified in the Master Plan and further identified as the next project to be completed under the Bond. The estimated cost for the Math/Science renovations is \$2,940,000.00. Given Austin Commercial has existing infrastructure in place for current construction projects and has proven to be successful in supporting COM in the previous Bond construction projects, the Administration recommends requesting a Change Order proposal from Austin Commercial to prepare a revise a Guaranteed Maximum Price (GMP) to include the Math Science Renovations.

If approved, issuance of a Change Order to Austin could realize cost savings related to insurance, additional mobilization fees, General Conditions cost and other fees that would require negotiations with a General Contractor other than Austin. As the incumbent, Austin's fee would remain unchanged at an amount not-to-exceed 2.56% of the actual Direct Construction Costs and General Conditions Cost not-to-exceed 5.59% of the Approved Guaranteed Maximum Price (GMP). The GMP will be presented to the Board for approval once Austin Commercial has the opportunity to solicit bids from their subcontractors in accordance with the Purchasing regulations. The estimated \$2,940,000 is 8.2% of the current contract value and budget using Bond funds has been allocated accordingly. Therefore, the recommendation to request a Change Order to the current contract is in accordance with Government Code 252.048.



MINUTE ORDER

To: Board of Trustees
From: Dr. Warren Nichols, President
Date: April 26, 2021
Subject: Annual Internal Audit Report

Presented for recommended acceptance to Board of Trustees on the same date.

MINUTE ORDER

Motion to be acted upon: “I move the Board of Trustees Accept the Annual Internal Audit Report, as presented on April 26, 2021.”

PURPOSE

To provide the Board of Trustees with information regarding the Annual Internal Audit Report that was performed and will be uploaded to the COM Website.

BACKGROUND

The Annual Internal Audit Report is presented to the Board for discussion and acceptance.

IMPLICATIONS

Financial: N/A

Strategic Goal #1: N/A

Human Resources: N/A

Attachments

1. Annual Internal Audit Report

College of the Mainland

Fiscal Year 2020 Annual Internal Audit Report

April 26, 2021

C O N T E N T S

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College of the Mainland

Fiscal Year 2020 Internal Audit Report

Issued: April 26, 2021

I. Compliance with Texas Government Code, Section 2102.015: Posting the Internal Audit Plan, Internal Audit Annual Report, and Other Audit information on Internet Web site

Texas Government Code, Section 2102.015 requires state agencies and higher education institutions, as defined in the statute, to post their Internal Audit Plan, Internal Audit Annual Report, and other audit information on the Internet.

The College of the Mainland (COM or the College) will post this report and its Fiscal Year 2020 Internal Audit Plan on its website at www.com.edu following acceptance by the Audit / Finance Committee. Due to the COVID-19 Pandemic, delays occurred in the completion of the report but was presented and approved for issuance at the April 26, 2021 Audit / Finance Committee.

The College of the Mainland will update its posting with a detailed summary of the weaknesses, deficiencies, wrongdoings or other concerns raised by performance of the audit plan as they are identified. The College of the Mainland will also update the posting with the corrective action taken to address any issues identified.

II. Internal Audit Plan for Fiscal Year 2020

The internal audits planned and performed for Fiscal Year 2020 were selected to address the College's highest risk areas, based on the risk assessment process conducted during the fall of 2017, which included input from College Management. The audits conducted during Fiscal Year 2020 are listed below.

Internal Audit	Report #	Report Date	Current Status
Bursar and Cash Management	IA #01-2020	February 28, 2020	The report was issued April 07, 2020. Follow-up procedures to verify that corrective action has been implemented on the open findings will be conducted by College Management in FY 2021.
Disaster Recovery / Business Continuity Planning	IA #02-2020	February 24, 2021	The report was issued February 24, 2021. Follow-up procedures to verify that corrective action has been implemented on the open findings will be conducted by College Management in FY 2021.

The College's rules and policies for the purchasing of goods and services were assessed during the College's Internal Audit Risk Assessment and development of the Risk Response Plan, issued March 8, 2018, and determined to be in compliance with the requirements identified within Texas Education Code, Section 51.9337.

III. Consulting Services and Nonaudit Services Completed

As defined in the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing and the Government Auditing Standards, 2011 Revision, Sections 3.33 – 3.58, Weaver, or any other third party, did not complete consulting and/or non-audit services for Fiscal Year 2020.

College of the Mainland

Fiscal Year 2020 Internal Audit Report

Issued: April 26, 2021

IV. External Quality Assurance Review

In accordance with professional standards, and to meet the requirements of the Texas Internal Auditing Act, Internal Audit is required to undergo an external quality assurance review at least once every three years. Weaver's review was performed in October 2019.



System Review Report

To the Partners of Weaver and Tidwell, L.L.P.
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Weaver and Tidwell, L.L.P. (the "firm") applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 31, 2016. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards*, audits of employee benefit plans, audits performed under FDICIA, and examinations of service organizations [Service Organizations Control (SOC) 1 and 2 engagements].

In our opinion, the system of quality control for the accounting and auditing practice of Weaver and Tidwell, L.L.P. applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 31, 2016, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Weaver and Tidwell, L.L.P. has received a peer review rating of *pass*.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Eide Bailly LLP
October 7, 2016

www.eidebailly.com

800 Nicollet Mall, Ste. 1300 | Minneapolis, MN 55402-7033 | T 612.253.8500 | F 612.253.8600 | EOE

College of the Mainland

Fiscal Year 2020 Internal Audit Report

Issued: April 26, 2021

V. Internal Audit Plan

The Internal Audit Plan was submitted to the Finance / Audit Committee of the College of the Mainland Board of Trustees. The Finance / Audit Committee approved the plan on October 28, 2019. Below is the Fiscal Year 2021 Internal Audit Plan submitted and approved by the College President based on the results of the FY 2020 Internal Audit Risk Assessment Update.

Fiscal Year 2021 Internal Audit Plan		
Audit Area	Risk Rating	Estimated Hours
Human Resources	High	300 – 320
Student Services	High	320 – 340
Internal Audit Consulting		40-60

Follow-up procedures for Fiscal Year 2021 to verify and communicate with Management the remediation efforts of prior Internal Audit Recommendations will be performed by College Management.

Fiscal Year 2021 Follow-up Procedures		
Audit Area	Risk Rating	Estimated Hours
Bursar and Cash Management	High	TBD
Disaster Recovery / Business Continuity Planning	High	TBD

The projects identified in the FY 2021 Internal Audit Plan will not address the benefits proportionality audit requirement prescribed in Rider 8, page III-45, the General Appropriations Act (85th Legislature), due to Public Community Colleges being exempt from the requirement.

The College's rules and policies for the purchasing of goods and services will be evaluated as part of Internal Audit of Purchasing to determine compliance with the requirements identified within Texas Education Code, Section 51.9337.

A risk assessment update was conducted in July, 2020 whereby College Leadership reassessed the probability and impact of the following risk categories across all significant activities of the College.

- Financial and Fraud
- Information Technology
- Operational
- Students and Programs
- Reputational

The Internal Audit Risk Assessment performed in 2017 included information security as part of the evaluation of information technology risk. Information technology risk was evaluated throughout the risk assessment process, and was considered as part of the overall risk rating of all the significant processes of the College.

College of the Mainland

Fiscal Year 2020 Internal Audit Report

Issued: April 26, 2021

Taking into consideration the input from College Management, all significant activities were assigned a risk score for probability and impact related to each risk category. The overall risk rating (High, Moderate or Low) was assigned to each significant activity based on the activity's average risk score.

The internal audit plan is developed by considering risk ratings for each significant activity and prioritizing "High" risk activities. The risk assessment is updated on an annual basis.

The 2020 internal Audit Risk Assessment update resulted in 24 Significant Activities rated as "High" risk. The FY 2021 Internal Audit Plan does not include 15 of the 24 high risk rated significant activities. Those risks are as follows:

High Risk Areas		
	Audit Area	Risk Response
1	Application Selection / Development	There are no formal policies or procedures in place for application selection and development. However, risks are partially addressed through the evaluation of applications through the Technology Committee that convenes once a month. Additionally, any Information Technology purchases, such as applications, must be reviewed and approved by Information Technology prior to processing by Procurement.
2	Academics and Curricular Activities	The College monitors the requirements for the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) and evaluates performance to ensure compliance. Additionally, the Curriculum Committee meets routinely to evaluate and consider requests for changes to curriculum along with the reporting of those requests to SACSCOC. The Committee also provides routine reports to the Board if changes to the curriculum are being considered. The College will have a SACSCOC follow-up review in September 2020 and their next onsite accreditation visit to be conducted in FY 2023.
3	Database Administration / ERP	There are no formal policies in place for database administration / ERP. However, the College does have policies on access to the Database / ERP which are covered within Information Security. Past external reviews were conducted of the database during the migration of systems and databases three years ago.
4	Purchasing	Risks are partially addressed by College policies on purchasing laws and requirements. The Purchasing Department is centralized to include both purchasing and vendor selections. The College also requires under Policy CF Local that all purchases of \$100k or above must be brought to the Board for review and approval. Purchases are also evaluated as part of the annual external financial statement audit.
5	Budget and Planning	Risks are partially addressed by College policies on the budgeting process and oversight by the Board. Additionally, budgeting and planning is monitored by the Board through monthly reports of year to date spending on a cash basis, which includes budget to actual figures. Any fund balance requests for expenditures not included in the budget require Board approval.

College of the Mainland
 Fiscal Year 2020 Internal Audit Report
 Issued: April 26, 2021

High Risk Areas		
	Audit Area	Risk Response
6	Continuing Education	Risks are partially addressed by College policies on requirements for continuing education programs, included evaluations of offerings and curriculum. Accreditation reviews are performed of Allied Health Programs and external audits performed of CPR courses to ensure compliance with requirements.
7	Workforce and Community Development (Corporate Programs)	Risks are partially addressed by College policies on creating workforce programs, Board oversight of certificate programs offered, and contracting requirements for performing continuing education programs.
8	Dual Credit Programs	Risks are partially addressed by College policies on the requirements for offering dual credit programs. Additionally, the Curriculum Committee meets routinely to evaluate and consider requests for changes to curriculum along with the reporting of those requests to SACSCOC. The Committee also provides routine reports to the Board if changes to the curriculum are being considered.
9	Law Enforcement and Security	Risks are partially addressed by College policies on campus carry, storage of firearms, student searches, and student rights. Campus Police Officers are Texas Commission on Law Enforcement (TCOLE) certified and maintenance of certification, through required trainings, is monitored by the State of Texas.
10	Payroll	Risks are partially addressed by College policies on payroll computations, payroll deductions and legal requirements. Additionally, payroll data is evaluated as part of the annual external financial statement audit.
11	Accreditation Standards	The College monitors the requirements for the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) and evaluates performance to ensure compliance. Additionally, the Curriculum Committee meets monthly to evaluate and consider requests for changes, additions, or cancelations of programs, which must be reviewed and approved by the High Education Coordinating Board and SACSCOC. The Committee also provides routine reports to the Board if changes to programs are being considered along with accreditation status. The College will have a SACSCOC review conducted in FY 2024. The last accreditation review was completed in 2013.
12	Construction Management	Risks are partially addressed by College policies on construction manager - agent, construction manager - at risk, construction design - build, job order contracts, facilities standards, competitive bidding and sealed proposals. Additionally, construction project progress is monitored through routine reporting to the Board.

College of the Mainland
 Fiscal Year 2020 Internal Audit Report
 Issued: April 26, 2021

High Risk Areas		
	Audit Area	Risk Response
13	Grounds and Maintenance	Risks are partially addressed by College policies on the maintenance of buildings and equipment, development of a long range campus master plan and maintaining proper sanitation. Additionally, risks are transferred through the outsourcing of grounds functions and risks are mitigated through the use of environmental consultants to evaluate and report on asbestos and mold remediation. The College also requires internal maintenance staff to hold certifications for HVAC, plumbing, and electrical to ensure local code compliance.
14	Grant Management	Risks are partially addressed by College policies requiring President approval for the application and utilization of grant funds. Additionally, grant audits are conducted by grantors, such as those with H-GAC and for Title IV programs which are evaluated on an annual basis.
15	Revenue	Risks are partially addressed by College policies on how tuition rates are determined along with the collections of ad valorem taxes. Ad valorem taxes are assessed by the Galveston Tax Appraisal District and collection efforts are conducted by the Galveston Tax Assessor Collectors. States appropriations and tax collections are reconciled monthly and reported to the Board monthly in the Financial and Investment Report. Additionally, revenue reconciliations are evaluated as part of the annual external financial statement audit.

College of the Mainland

Fiscal Year 2020 Internal Audit Report

Issued: April 26, 2021

VI. External Audit Services Procured in Fiscal Year 2020

The College of the Mainland engaged Whitley Penn LLP, a certified public accounting firm, as their external auditors for Fiscal Year 2020. Whitley Penn LLP is registered with the Public Company Auditor Oversight Board (PCAOB).

The College of the Mainland did not engage any other external party to conduct financial, performance or attestation engagements in Fiscal Year 2020.

VII. Reporting Suspected Fraud and Abuse

- College of the Mainland relies on Weaver and Tidwell LLP, the outsourced internal auditor, to monitor the confidential hotline set-up by the College for the reporting of fraud, waste and abuse. The College also has a dedicated page to fraud prevention and reporting on its website at <https://www.com.edu/hotline>, which includes the hotline number and an optional form that can be completed to anonymously report fraud, waste, or abuse.
- The President of the College of the Mainland and the General Counsel are designated personnel within the College to receive and discuss allegations of fraud, waste, and abuse. The General Counsel has the authority to examine and investigate those allegations and turn over information of verified instances of fraud, waste, or abuse to the State Auditor's Office.



Board of Trustees Meeting

Internal Audit Status Report

April 26, 2021



Agenda

- FY 2021 Internal Audit Plan
 - FY2021 Risk Assessment Update
 - Internal Audit Plan Status
- FY 2020 Completed Internal Audit
 - Disaster Recovery/ Business Continuity Planning
 - 2020 Annual Internal Audit
- FY 2021 Completed Internal Audit
 - Human Resources
- FY 2021 In-Progress Internal Audits
 - Student Services
- Other FY 2021 Internal Audit Activities
 - Fraud, Waste, and Abuse Hotline Report
 - Risk Assessment Update
 - Annual Internal Audit Report

FY2021 Risk Assessment Update



- Risk Assessment update was performed with the Risk Assessment Team on September 2, 2020 to identify changes in the College's Risk Universe and to consider College internal audit priorities for the FY2021-2022 Internal Audit Plan
- Adjustments to the risk ratings of the College's Risk Profile were made based on current College risks from feedback from the Risk Assessment Team and confirmation from Dr. Nichols.
- Risk rating adjustments were made to the significant activities for the following risk areas:
 - Financial and Fraud
 - Information Technology
 - Operational
 - Students and Programs
 - Reputational
- Updates were made to the 47 significant activities considered for internal audit by reprioritizing audits for the 2021 and 2022 internal audit plans.
- Risk Assessment Update results were reported to the Risk Assessment Team on September 2, 2020.

FY21 and FY22 Internal Audit Plans



Following the Risk Assessment Update in July 2020, the following adjustments were made to the **FY21** and **FY22** Internal Audit Plans that were previously presented to the Board due to changes in College risks and internal audit priorities:

FY21 Internal Audit Plan:

- **Deferred Audits:**
 - Purchasing - (FY22 or After)
- **Selected Audits:**
 - Human Resources – (FY21)
 - Student Services – (FY21)

FY22 Internal Audit Plan:

- **Selected Audits:**
 - Purchasing – (FY22)
 - Continuing Education & Workforce and Community Development (Corporate Programs) – (FY22)

FY 2021 Internal Audit Plan Status



Audit Area	Category (College-Wide, Instructional and Student Services, Operational, or Administration)	Risk Rating	Summary of Procedures	Status/ Timing
FY 2021 Planned Internal Audits				
Human Resources	Administration	High	Internal Audit will include an evaluation of risks and internal controls in place related to the College's Human Resources Processes. Activities to be evaluated include recruiting and selection, new hire and termination, employee set-up and changes, position control monitoring and maintenance, pay rate authorization and stipends, job classification and compensation, employee policies and procedures, training and development, and employee performance review.	Completed
Student Services	Instructional and Student Service	High	Internal Audit will include an evaluation of risks and internal controls in place related to the College's student services processes. Activities to be evaluated include academic advising, tutoring, student counseling, career services - placement and recruitment, students with disabilities, student disciplinary action, testing center, student help center, enrollment management, and student engagement.	In-Progress: Fieldwork
Internal Audit Consulting (as requested)	Other	NA	Internal Audit will perform internal audit consulting, including process evaluations, internal control effectiveness reviews, and/or special projects as requested by Management.	TBD
FY 2021 Annual Requirements				
Project Management	Project Management	NA	Track overall internal audit procedures, coordinate audit activities, and reporting to management.	Ongoing
Update Risk Assessment	Policy Compliance	NA	Perform required annual update of risk assessment	July 2021
Annual and Quarterly Board Reports	Policy Compliance	NA	Prepare and submit required annual and quarterly reports to the Board of internal audit activities.	Ongoing

2020 Completed Internal Audit Activity: Disaster Recovery/ Business Continuity Planning



- The Internal Audit fieldwork was executed during the period of June 22, 2020 through October 15, 2020, an exit meeting was held on October 15, 2020, and the report was issued February 23, 2021.

Scope

The scope of the internal audit included an evaluation of the College of the Mainland's Disaster Recovery/ Business Continuity Planning (DR/BCP) processes, including operations, information technology, and security functions, to verify effective procedures are in place to address the appropriate risks, regulatory coverage, and compliance and to ensure the maturity of the processes aligns with College expectations.

- The report is available separately to the Board in Executive Session due to confidentiality of security information under Government Code §552.139 and §551.089.
 - Government Code §552.139 and § 551.089 provide an exemption to governmental bodies from the required disclosure of public information related to the design, operation or defense of a governmental body's information technology systems.

2020 Annual Internal Audit Report



- Due to the COVID-19 Pandemic, delays occurred in the completion of the report
- Following acceptance and approval by the Audit / Finance Committee, the report should be posted on the College of the Mainland's website.
- The report format is prescribed by the State Auditor's Office and includes:
 - Overview of 2020 Internal Audit activity
 - Consulting and non-audit services performed for the College
 - Internal Audit Quality Assurance Report
 - 2020 Internal Audit Plan and description of the Risk Assessment process
 - External Audit services performed for the College

2021 Completed Internal Audit

Activity: Human Resources



- The scope of the internal audit included an evaluation of the risks and internal controls in place related to College of the Mainland's **Human Resources** departmental procedures and compliance with State and Federal statutes and regulations to ensure they are designed to ensure effective management and administration of Human Resources functions and responsibilities.
 - **Coverage period:** August 1, 2019 through October 31, 2020
 - **Fieldwork** was executed November 30, 2020 through February 11, 2021
- Key functions and subprocesses within Human Resources processes reviewed included:
 - Recruiting and Hiring
 - Onboarding and Training
 - Employee Management
 - Employee Maintenance
 - Separation
- The **Exit Meeting** was held on February 11, 2021, the **Draft Report** was issued on March 26, 2021, and the **Final Report** was issued on April 12, 2021.

Summary Results



The Human Resources Administration Audit was rated overall as **STRONG**, with 2 Strong and 1 Satisfactory ratings for the 3 Audit Objectives, and 6 findings identified.

OVERALL ASSESSMENT	STRONG
Objective A: Design of Internal Controls	STRONG
Objective B: Effectiveness of Internal Controls	SATISFACTORY
Objective C: User Access	STRONG

Findings by Risk Rating				
	High	Moderate	Low	Total
Findings	-	4	2	6

Summary Results



Objective A: Determine if internal controls are designed to ensure the effective management and administration of Human Resources functions and responsibilities.

Results: We identified 75 internal controls to be in place over the Human Resources Administration Processes. We identified 2 opportunities for improvement over the documentation of employee changes and the timely completion of faculty and staff contract renewals.

Process Area	Control Coverage	Findings
Human Resources Administration		
Recruiting and Hiring	15	-
Onboarding and Training	10	-
Employee Management	16	-
Employee Maintenance	16	Finding 1, 2
Separation	18	-
TOTAL	75	

Summary Results



Objective B: Ensure that control over selected critical and high-risk processes within the Human Resources Administration processes are operating efficient, effectively, and resulting in accurate processing, information, and timely completion.

Results: We determined controls to be in place; however all are not consistently executed as designed. We identified 4 opportunities for improvement related to validation of hiring committee composition, automating background check forms, incorporating segregation of duties between the preparer and reviewer of required reports, and reinforcement of employee separation requirements to departments.

Objective C: Ensure that access to view, process and modify personnel transactions within the Human Resources' system is restricted to appropriate personnel and that access is periodically reviewed.

Results: Controls are in place and effective in restricting access and ensuring approval by owner of the key systems and applications utilized within the Human Resources Administration Processes.

Recommendations and Management Responses



We identified **6 recommendations** to assist Management in improving the Human Resources Administration processes. Generally, the recommendations were to:

1. **Incorporate** an audit trail to the employee change records to ensure a history of changes made, by person and date/time, is **captured**.
2. **Develop** a policy to require the signature and return of the non-tenured faculty and staff contracts prior to the start date, along with a escalation process for non-compliance.
3. **Enhance** existing processes to validate that hiring committees are composed of the appropriate members prior to the execution of the candidate assessment phase.
4. **Develop** an electronic form to aid in the completion of the background check authorization process
5. **Incorporate a review process** for the Texas Higher Education Coordinating Board Retirement Participation Report to validate the accuracy and completeness of the report prior to submission.
6. **Implement further training** and instruction to departments on the importance of completing the exit checklist timely and informing Human Resources immediately of any unknown separations

Management has responded to the Internal Audit findings by providing detailed **action plans** with **responsible parties** and anticipated **implementation dates**. Management has provided a range of implementation dates from October 2020 through October 2021.

Findings and Management Responses



Finding 01 – Moderate – Employee Changes Records: The Colleague System does not include an audit trail in-order to view and validate past changes made and processed for an employee’s name and address. Additionally, we selected and reviewed 25 employee changes processed from Personnel Actions Forms (PAFs) that occurred from August 1, 2019 to October 31, 2020 to verify that the employee changes were accurately and timely processed in the system. Of the 25 employee changes tested, we identified 10 unique exceptions among 7 employees which include the following

- 4 of the 7 employee changes were processed after the effective date identified on the PAF
- 2 of the 7 employee changes included rehires to the same previously held position, but the re-hire date was not captured
- 3 of the 7 employee changes did not include effective dates on the PAF to validate timely completion
- 1 of the 7 employee changes had a PAF that was not signed by HR

Management Actions

Management Response:

Management agrees with the condition as stated. We have corrected the condition and are currently using Nextgen electronic PAF form, which has an audit trail.

Responsible Party: Human Resources Director

Implementation Date: October 2020

Findings and Management Responses



Finding 02 – LOW – Faculty & Staff Contracts Renewal Process: The College currently does not require non-tenured faculty and staff to sign and return the contracts to Human Resources prior to the start date of the contract. Additionally, we reviewed 30 active employees from August 1, 2019 to October 31, 2020 to verify whether contracts were provided to the employee, signed and returned timely to Human Resources. Of the 30 employees tested, we identified 28 unique exceptions which included the following:

- 19 of the 28 employee contracts were signed by the employee after the start date
- 8 of the 28 employee contracts were not signed by the employee but returned to Human Resources
- 1 of the 28 employee contracts was not signed or returned to Human Resources to review and validate

Management Actions
<p>Management Response: Management agrees with the condition as stated. HR will work with the Staff Attorney to implement a signature return policy. Additionally, we will automate the contract process through PeopleAdmin.</p> <p>Responsible Party: Human Resources Director Implementation Date: August 2021</p>

Findings and Management Responses



Finding 03 – MODERATE – Selection Processes: We reviewed 25 new employees hired between August 1, 2019 through October 31, 2020 to ensure the selection process and procedures for candidate assessments were consistently performed and documented. Of the 25 new hires tested, we identified 26 unique discrepancies among 19 new hires which include the following:

- 9 of the 19 candidates non-classified positions evaluated lacked sufficient documentation to validate the appropriate number of members were part of the Hiring Committee and completed the candidate assessment forms
- 1 of the 19 candidates was interviewed by committee members from the same department and did not include a member from outside the department, resulting in the committee not meeting the diverse committee requirement
- 2 of the 19 candidates evaluated were assessed during the remote work environment and assessment forms were not turned in and available for review
- 5 of the 19 candidates evaluated did not have Candidate Assessments Forms available
- 8 of the 19 candidates evaluated included Candidate Assessments Forms that did not match the number of applicants interviewed for the position
- 1 of the 19 candidate selections evaluated did not include the completed assessment forms and therefore were not in the employees files

Management Actions

Management Response:

Management agrees with conditions stated. HR will verify through People Admin, that a sufficient number of diverse search committee members are approved prior to the posting of the position. In the event a search committee cannot be adequately formed, a representative from HR will fill in to ensure each search has a diverse committee. Additionally, we will not move forward with the hiring process until we are in possession of all candidate assessment forms.

Responsible Party: Human Resources Director

Implementation Date: April 2021

Findings and Management Responses



Finding 04 – MODERATE – Candidate Verification Procedures: We reviewed a sample of 25 new employees hired during the period of August 1, 2019 through October 31, 2020 to verify that candidate validation procedures, such as background checks and reference checks, were performed according to College policy and procedure. Of the 25 new hires tested, we identified 9 unique exceptions among 8 new employees which were a result of the following inconsistencies in the completion of the required background check forms and references:

- 6 of the 25 new hires evaluated included background check forms that did not have the approval/denial boxes checked, signed on the correct line by the HR authorizing agent, or signed by an HR authorizing agent
- 1 of the 25 new hires was processed with an incomplete background check, which was due to a courthouse closure during the COVID-19 pandemic
- 2 of the 25 new hires evaluated had incomplete reference checks, including not having the appropriate amount of references and references that did not identify which was from the required supervisor reference

Management Actions

Management Response:

Management agrees with conditions stated. HR Director will develop a process to ensure all approval/denial boxes are checked and signatures are present in the correct location. Additionally, the background check form has been created in Nextgen Forms and is currently in the testing phase.

Responsible Party: Human Resources Director

Implementation Date: May 2021

Findings and Management Responses



Finding 05 – LOW – Compliance Reporting: We reviewed a sample of 5 compliance reports that are submitted by the College to the US Department of Education, Texas Legislative Budget Board, Texas Higher Education Coordinating Board, the Texas Community College Teachers Association, and Texas Association of Community Colleges to ensure they were appropriately prepared, reviewed, and submitted timely. We identified 1 report, the Texas Higher Education Coordinating Board Retirement Participation Report, did not have a reviewer other than the preparer of the report. Although the report was completed timely and accurately, the report was not routed to be reviewed by a supervisor or independent party to validate completeness and accuracy prior to submission.

Management Actions
<p>Management Response: Management agrees with conditions stated. Payroll will coordinate with the College Controller to perform a review and approval of the Texas Higher Education Coordinating Board Retirement Participation Report prior to submittal.</p> <p>Responsible Party: Human Resources Director Implementation Date: October 2021</p>

Findings and Management Responses



Finding 06 – MODERATE – Employee Separation Process: The College does not have an enforceable process in place to require that all separations, including voluntary and involuntary employee separations, complete and submit the Exit Checklist to Human Resources. Although an Exit Checklist is required to be completed by departments and submitted timely to Human Resources, abrupt or unanticipated departures often result in exit checklist not being completed. As a result, the collection of College property and restriction of IT access can be delayed.

We reviewed 25 full-time employee separations that occurred during the period of August 1, 2019 to October 31, 2020 to verify that employee separations included Exit Checklists that were adequately completed, processed, and approved. Of the 25 employee separations tested, we identified 15 unique exceptions from the employee separations which included the following:

- 5 of the 15 employee separations had an Exit Checklist that was not completed nor submitted to Human Resources upon separation from the College
- 10 of the 15 employee separations had Exit Checklists that did not include complete notations, comments, or dated sign-offs from appropriate supervisory personnel on the specified separation steps to validate that all the procedures were performed

Management Actions

Management Response:

Management agrees with conditions stated. Although it is not always feasible to retrieve exit checklists on employees that are involuntarily separated, we will work with management by reinforcing policy and by providing training during Convocation/Leadership Academy training on the importance of completing the Exit Checklist prior to the employees departure.

Responsible Party: Human Resources Director

Implementation Date: April 2021

2021 Internal Audit Activity

In-Progress: Student Services



- The scope of the internal audit will focus on College of the Mainland's **Student Services** process in-place to evaluate the effectiveness of their execution and the student experience received from those processes.

Key functions and subprocesses within Student Services processes to be reviewed will include:

- Academic Advising
 - Tutoring
 - Student Counseling
 - Career Placement Services
 - Students with Disabilities
 - Student Disciplinary Action
 - Testing Center
 - Student Help Center
 - Enrollment Management
 - Student Engagement
- A planning meeting was held on January 22, 2021 to determine the scope, objectives, and criteria for the internal audit.
 - The entrance conference was held on March 23, 2021
 - Fieldwork will be conducted March 23, 2021 through April 30, 2021
 - Reporting is anticipated to occur in May /June 2021

Other 2021 Internal Audit Activities



Fraud, Waste and Abuse Hotline Report

- The College received **no submissions** to date through the Fraud, Waste, and Abuse hotline.

Remaining FY 2021 Internal Audit Activities

- Risk Assessment Update
 - Evaluation of process area risks and update the FY 2022 Internal Audit Plan
 - Anticipated to occur in July/August 2021
- Annual Internal Audit Report
 - Due November 1, 2021
 - Will be reported to the Board by October 2021



Questions?

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MINUTE ORDER

To: Board of Trustees
From: Dr. Warren Nichols, President
Date: April 26, 2021
Subject: Internal Audit Report – Human Resources Administration

Presented for recommended acceptance to Board of Trustees on the same date.

MINUTE ORDER

Motion to be acted upon: “I move the Board of Trustees Accept the Internal Audit Report on Human Resources Administration, as presented on April 26, 2021.”

PURPOSE

To provide the Board of Trustees with information regarding the Human Resources Administration Internal Audit that was performed, including the procedures performed, results, recommendations for improvement, and management responses.

BACKGROUND

Internal Audit Reports are presented to the Board as they become available for discussion and acceptance.

IMPLICATIONS

Financial: N/A

Strategic Goal #1: N/A

Human Resources: N/A

Attachments

1. IA #01-21 Internal Audit Report over Human Resources Administration

College of the Mainland

IA #01-2021 Internal Audit over Human Resources
Administration

Report Date: February 11, 2021

Issued: April 12, 2021

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Dr. Warren Nichols
President
College of the Mainland
1200 Amburn Road
Texas City, Texas 77591

This report presents the results of the internal audit procedures performed for College of the Mainland (the College) during the period November 29, 2020 through February 11, 2021 relating to the Human Resources Administration processes of the College.

The objectives of the internal audit were to evaluate the design and effectiveness of College of the Mainland's Human Resources Administration processes as follows:

- Determine if internal controls are designed to ensure the effective management and administration of Human Resources functions and responsibilities.
- Ensure that controls over selected critical and high-risk processes within Human Resource Administration processes are operating efficiently and effectively, and resulting in accurate processing, information and timely completion.
- Ensure that access to view, process and modify personnel transactions within the Human Resources' systems is restricted to appropriate personnel and that access is periodically reviewed.

To accomplish these objectives, we conducted interviews and walkthroughs with personnel responsible for Human Resources Administration processes within the Human Resources, Legal, Financial Services, and Information Technology (IT) Departments. We also examined existing documentation, evaluated internal controls over the processes, and performed specific testing procedures to assess controls. Our coverage period was from August 1, 2019 through October 31, 2020. Procedures were performed virtually due to the global COVID-19 pandemic and were completed on February 11, 2021.

The following report summarizes the findings identified, risks to the organization, recommendations for improvement and management's responses.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Houston, Texas
February 11, 2021

Weaver and Tidwell, L.L.P.
24 Greenway Plaza, Suite 1800 / Houston, Texas 77046
Main: 713.850.8787

CPAs AND ADVISORS | WEAVER.COM

College of the Mainland

Internal Audit Report over Human Resources Administration

February 11, 2021
Issued: April 12, 2021

Background

The Human Resources Department (Department) at College of the Mainland (the College) is responsible for managing recruiting, onboarding, and supporting the hiring of qualified faculty and staff to meet the College's mission in providing access to quality education, workforce preparation, and lifelong learning for student and community success. The Department is also responsible for employee performance reviews, managing employee records, receiving and investigating grievances, and overseeing the employee separation processes. Additionally, Human Resources manages the required training for the College (new hire and recurring) is provided and completed timely by each employee, including FERPA required training.

The Human Resources Department manages the Human Resource Administration processes for 326 employees, including full time and part time employees which are comprised of both faculty and staff positions. The Department functions are performed by five staff who are responsible for the centralized Human Resource processes and utilizes both Colleague and PeopleAdmin for the hiring and maintaining of employee records. Human Resources also coordinates with Fiscal Affairs, Financial Services & Planning, Effectiveness, Analytics, Assessment and Research to ensure all required employee and benefit reports are completed and submitted timely to regulatory bodies.

Audit Objective and Scope

The audit focused on the centralized Human Resources processes in place within the Human Resources Administration Department. We reviewed the procedures in place for appropriate risk and regulatory coverage and compliance to ensure efficient and effective processes. The scope included an evaluation of the processes currently in practice covering the activities within the key areas, including:

Recruiting and Hiring

- Position Control
- Selection
- Candidate Verification

Onboarding and Training

- New Hire Onboarding
- New Employee Set-up
- Training / Professional Development

Employee Management

- Performance Evaluation and Monitoring
- Employee Records Maintenance
- Compliance Reporting

Employee Maintenance

- Compensation Increases and Promotions
- Faculty and Staff Contract Renewals
- Employee Changes
- Job Descriptions
- Staffing Tables
- Salary Schedules

Separation

- Employee Separation
- Employee Complaints and Disciplinary Actions

College of the Mainland
Internal Audit Report over Human Resources Administration
February 11, 2021
Issued: April 12, 2021

Our procedures were designed to ensure relevant risks were covered and verified the following:

Position Control

- Human Resources was notified and involved in the process of tracking open positions and executing offers for employment
- Newly created positions were authorized by an appropriate level of management and included in the department budget
- Temporary positions were budgeted and planned to meet departmental demands

Selection

- Candidates were qualified to be considered and/or selected to fill vacant positions
- Interview questions were reviewed and approved prior to use during the interviewing process
- Evaluation committee was composed of appropriate personnel
- Confidentiality agreements were signed by the Evaluation Committee
- Evaluation criteria were in place and consistently applied for evaluating all candidates
- Employee selections were made in accordance with College, State and Federal regulations
- Pay rates and stipends were appropriately approved
- Only qualified employees were hired

Candidate Verification

- Candidates were screened prior to employment with the College
- Background checks and employment verification were consistently performed on new hires prior to their start date
- Candidates were provided offers of employment after background verification guidelines are met
- Reference checks were performed on all candidates being considered for employment
- College employees were trained on appropriate verification questions and tactics

New Hire Onboarding

- Employee candidates provided and completed the proper documentation prior to and after the hire date
- New employees were provided with the necessary training and documentation to comply with the College, State, and Federal requirements
- Policies and procedures were communicated to new employees and acknowledged during the on-boarding process

New Employee Set-up

- New hire information was complete and accurately recorded within Colleague
- New hire employee files contained all required documentation
- Salaries, pay rates, and stipends were communicated to payroll accurately

Training/Professional Development

- Required training was completed in the established time frame
- Recurring training required by State or Federal statutes was monitored and conducted on a sufficient basis
- Training on FERPA requirements and the security of data was provided to College Personnel
- Accurate training documentation was maintained

College of the Mainland

Internal Audit Report over Human Resources Administration

February 11, 2021

Issued: April 12, 2021

Performance Evaluation and Monitoring

- Probationary and annual performance evaluations were performed timely
- Performance evaluation criteria were applied consistently
- Performance evaluations were adequately documented and retained

Employee Records Maintenance

- Personnel files for all employees were restricted and stored in a secure area
- Employee requests for viewing records was validated for appropriateness, documented and occurs within a secured area
- Access to personnel files was restricted only to authorized individuals
- Employee records were maintained in accordance to the State record retention requirements

Compliance Reporting

- Compliance reports were appropriately reviewed and approved by College Management prior to submission
- Reports were properly prepared in accordance to the format requirements and submitted timely and to the proper authorities
- Labor violations were recorded and identified within the compliance reports

Compensation Increases and Promotions

- Merit compensation increases, one-time compensation increases, and promotions were:
 - Appropriately reviewed and approved
 - Applied consistently
 - Processed accurately and timely
 - Communicated to the Payroll Department timely and were within department budgets
 - In accordance with the College, State and other regulatory guidelines
- Pay adjustments and promotions were in compliance with the College pay scales

Faculty and Staff Contract Renewals

- Faculty and staff contracts renewals were initiated timely and approved by appropriate levels of management
- Faculty and staff contracts were in place prior to the contract start date
- Adjunct faculty contracts were initiated and approved in a timely manner

Employee Changes

- Employee changes were:
 - Requested by authorized parties and processed accurately and timely
 - Documented and retained within the employees file
 - Properly reviewed and approved

Job Descriptions

- Job descriptions were accurate, reviewed, approved for all positions in accordance with College and State guidelines
- Job descriptions were maintained and updated on a routine basis

Staffing Tables

- Staffing tables were routinely maintained and monitored by Human Resources for appropriate changes
- Staffing tables were reviewed by College Management and agree to budgeted positions

College of the Mainland

Internal Audit Report over Human Resources Administration

February 11, 2021
Issued: April 12, 2021

Salary Schedules

- Salary schedules were complete, accurate, and reflect current pay scales for each position type and pay grade
- Salary schedules included current stipends offered to faculty and staff
- Salary schedules were reviewed and approved annually by College Management

Employee Separation

- Employee separations (voluntary and involuntary) were:
 - Processed accurately and timely by the Human Resource Department
 - Communicated timely to the appropriate departments
 - Communicated to the Payroll Department
 - In compliance with College requirements along with relevant State and Federal labor regulations.
 - Authorized by an appropriate member of management
 - Appropriately documented and retained.
- College property was collected from separated employees prior to issuance of the last paycheck
- Retirements were properly planned and coordinated with Human Resources and the appropriate department

Employee Complaints and Disciplinary Actions

- Employees reported identified misconduct to Human Resources within an appropriate timeframe from when the misconduct occurred
- Employee complaints were adequately reviewed, documented, investigated, and reported
- Reprimands, suspensions, demotions, reductions in salary, and terminations were appropriately documented, reviewed and approved and are applied consistently across the College.
- Pay rate and salary changes due to demotions were executed according to College, State and other regulatory guidelines and are communicated to the Payroll Department timely

The scope of the audit did not include the following Human Resources Administration processes/subprocesses:

- Staffing Qualification and Staffing Level Assessments
- Succession Planning
- Recruiting
- Employee Benefits Administration
- Review of Access to Non-Public Private Information (NPPI)
- Affordable Care Act Requirements
- Payroll Processing
- Payroll Tax Reporting

Our procedures included interviewing key personnel within the College's Human Resources, Legal, Financial, and Information Technology Departments to gain an understanding of the current processes in place, examining existing documentation, performing walkthroughs and evaluating the internal controls over the process. Our coverage period will be from August 1, 2019 through October 31, 2020.

The objectives of this internal audit were as follows:

- Determine if internal controls are designed to ensure the effective management and administration of Human Resources functions and responsibilities.

College of the Mainland

Internal Audit Report over Human Resources Administration

February 11, 2021

Issued: April 12, 2021

- Ensure that controls over selected critical and high-risk processes within Human Resource Administration processes are operating efficiently and effectively, and resulting in accurate processing, information and timely completion.
- Ensure that access to view, process and modify personnel transactions within the Human Resources' systems is restricted to appropriate personnel and that access is periodically reviewed.

Executive Summary

Through our interviews, evaluation of internal control design and testing of transactions, we identified 6 findings. The listing of findings include those items that have been identified and are considered to be non-compliance issues with documented College of the Mainland policies and procedures, rules and regulations required by law, or where there is a lack of procedures or internal controls in place to cover risks to the College. These issues could have significant financial or operational implications.

A summary of our results, by audit objective, is provided in the table below. *See the Appendix for an overview of the Assessment and Risk Ratings.*

Overall Assessment		STRONG
Scope Area	Result	Rating
Objective A: Determine if internal controls are designed to ensure the effective management and administration of Human Resources functions and responsibilities.	We identified 75 controls in place in the Human Resources Administration processes. However, there are opportunities to strengthen the processes and control environment including: <ul style="list-style-type: none"> • Incorporate an audit trail to the employee change records to ensure a history of changes made, by person and date/time, is captured. • Develop a policy to require the signature and return of the non-tenured faculty and staff contracts prior to their start date, along with a process to escalate non-compliant personnel to the appropriate level of management. 	STRONG

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Overall Assessment		STRONG
Scope Area	Result	Rating
<p>Objective B: Ensure that controls over selected critical and high-risk processes within Human Resource Administration processes are operating efficiently and effectively, and resulting in accurate processing, information and timely completion.</p>	<p>Controls appear to be in place; however, all are not consistently executed as designed. We identified the following opportunities for improvement:</p> <ul style="list-style-type: none"> Enhance existing processes to validate that hiring committees are composed of the appropriate members prior to the execution of the candidate assessment phase. Develop an electronic form to aid in the completion of the background check authorization process Incorporate a review process for the Texas Higher Education Coordinating Board Retirement Participation Report to validate the accuracy and completeness of the report prior to submission. Implement further training and instruction to departments on the importance of completing the exit checklist timely and informing Human Resources immediately of any unknown separations. 	Satisfactory
<p>Objective C: Ensure that access to view, process and modify personnel transactions within the Human Resources' systems is restricted to appropriate personnel and that access is periodically reviewed.</p>	<p>Controls are in place and effective in restricting access and ensuring approval by owners of the key systems and applications utilized within the Human Resource Administration processes.</p>	STRONG

Other opportunities for improvement were identified through our interviews, evaluation of internal control design and transactional testing. These observations include those items that are not considered to be non-compliance issues with documented College policies and procedures. These are considered process improvement observations and the intent for the recommendations are to strengthen current College processes and controls. These observations were provided to management separately.

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Conclusion

Based on our evaluation, the Human Resources Administration processes have procedures and controls in place designed to mitigate risks within the significant processes. However, we identified opportunities to strengthen the processes and effectiveness of controls within the Human Resources and Planning, Effectiveness, Analytics, Assessment and Research Departments.

Most significantly, we recommend that Human Resources coordinate with IT to incorporate an audit trail to the employee change records to ensure retention of the history of changes made, by person and date/time. IT should also be consulted to identify automated systems that will allow the electronic submissions, signature, and routing of the contracts to non-tenured faculty and staff. An escalation process for non-compliance with the contract process should be routed to the Vice President of Instruction for non-tenured faculty and the President for non-faculty positions.

Additionally, we recommend that Human Resources coordinate with IT to develop an electronic form to aid in the completion of the background check authorization process, which should include proper routing and date/time stamps of the approvals. Human Resources should enhance existing practices to verify that reference checks meet the required number and indicate the supervisor affiliation of the reference to the applicant.

Furthermore, Human Resources should enhance existing processes to validate that hiring committees are composed of the appropriate members prior to the execution of the candidate assessment phase. Any exceptions applied should be formally documented and incorporated in the candidate files.

Lastly, we recommend that Human Resources implement further training and instruction to Departments on the importance of completing the Exit Checklist timely and informing Human Resources immediately of any unknown separations.

**Detailed Procedures Performed, Findings,
Recommendations and Management
Response**

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Detailed Procedures Performed, Findings, Recommendations and Management Response

Our procedures included interviewing key personnel within Human Resources, Legal, Financial Services, Planning, Effectiveness, Analytics, Assessment and Research, and Information Technology Departments to gain an understanding of the current processes in place, examining existing documentation, evaluating the internal controls over the process, and testing the effectiveness of the controls in place.

Objective A: Design of Internal Controls

Determine if internal controls are designed to ensure the effective management and administration of Human Resources functions and responsibilities.

Procedures Performed: We gained an understanding of the current Human Resources processes by conducting interviews and walkthroughs of key personnel within the Human Resource, Legal, Financial Services, Planning, Effectiveness, Analytics, Assessment and Research, and Information Technology Departments and examining existing documentation to gain an understanding of the current Human Resource Administration processes from the authorization of a position and onboarding, through performance monitoring and employee separation, to compliance reporting and maintaining of employee records. We documented our understanding of the process in a bullet point format, identifying controls over the following critical sub processes:

Recruiting and Hiring

- Position Control
- Selection
- Candidate Verification

Onboarding and Training

- New Hire Onboarding
- New Employee Set-up
- Training / Professional Development

Employee Management

- Performance Evaluation and Monitoring
- Employee Records Maintenance
- Compliance Reporting

Employee Maintenance

- Compensation Increases and Promotions
- Faculty and Staff Contract Renewals
- Employee Changes
- Job Descriptions
- Staffing Tables
- Salary Schedules

Separation

- Employee Separation
- Employee Complaints and Disciplinary Actions

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We evaluated whether the identified internal controls are sufficiently designed to comply with College policies and procedures and mitigate the critical risks associated with the Human Resource Administration cycle.

We identified any unacceptable risk exposures due to control gaps in the existing control structure as well as opportunities to strengthen the effectiveness and efficiency of the existing procedures. Additionally, we evaluated the existing control design to verify that College processes are designed to ensure compliance with relevant guidance and regulations.

Results: We identified 75 total controls in place over the significant activities within the Human Resources Administration processes. We identified two areas for improvement that should be made in the processes, policies and procedures.

Process Area	Control Coverage	Findings
Human Resources Administration Processes		
Recruiting and Hiring	15	-
Onboarding and Training	10	-
Employee Management	16	-
Employee Maintenance	16	Finding 1, 2
Separation	18	-
Total	75	

Finding 01 – MODERATE – Employee Changes Records: The Colleague System maintains records of the most current change made to an employee’s name and address record but does not include an audit trail in-order to view and validate past changes processed. Additionally, we selected and reviewed 25 employee changes processed from Personnel Actions Forms (PAFs) that occurred from August 1, 2019 to October 31, 2020 to verify that the employee changes were accurately and timely processed in the system. We verified that all the changes performed in the system were accurate and aligned with the request. However, of the 25 employee changes tested, we identified 10 unique exceptions among 7 employees which include the following:

- 2 of the 7 employee changes included rehires to the same previously held position, but the re-hire date was not captured
- 4 of the 7 employee changes were processed after the effective date identified on the PAF
- 3 of the 7 employee changes did not include effective dates on the PAF to validate timely completion
- 1 of the 7 employee changes had a PAF that was not signed by HR

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Recommendation: We recommend that Human Resources coordinate with IT to incorporate an audit trail to the employee change records to ensure retention of the history of changes made, by person and date/time. Additionally, Human Resources should coordinate with IT to implement an electronic PAF form that will ensure all required fields, such as the effective date of the change and Human Resource processor signature and date stamp, are completed and systematically captured.

Management's Response: Management agrees with the condition as stated. We have corrected the condition and are currently using Nextgen electronic PAF form, which has an audit trail.

Responsible Party: Human Resources Director

Implementation Date: October 2020

Finding 02 – LOW - Faculty & Staff Contracts Renewal Process: The College currently does not require non-tenured faculty and staff to sign and return the contracts to Human Resources prior to the start date of the contract. While the College does provide the contracts timely to the eligible employees to sign and the contracts specify requirements to review, sign and return within 5 days, the inconsistent return of signed contracts results in the lack of executed and enforceable contracts. Although the College enforces the contracts without a signed contract, the lack of a signed contract results in incomplete employee files and presumed acceptance of the contract terms and conditions.

We reviewed 30 active employees from August 1, 2019 to October 31, 2020 to verify whether contracts were provided to the employee, signed and returned timely to Human Resources. Of the 30 employees tested, we identified 28 unique exceptions which included the following:

- 19 of the 28 employee contracts were signed by the employee after the start date
- 8 of the 28 employee contracts were not signed by the employee but returned to Human Resources
- 1 of the 28 employee contracts was not signed or returned to Human Resources to review and validate

Recommendation: We recommend that Human Resources and the Staff Attorney coordinate to develop a policy to require the signature and return of the faculty (non-tenure) and staff contracts prior to the start date. The College should also develop a process to escalate non-compliant personnel to the Vice President of Instruction for faculty and the President for non-faculty positions. More importantly, Human Resources should coordinate with IT to identify automated systems that will allow the electronic submissions, signature, and routing of the contracts to faculty and staff.

Management's Response: Management agrees with the condition as stated. HR will work with the Staff Attorney to implement a signature return policy. Additionally, we will automate the contract process through PeopleAdmin.

Responsible Party: Human Resources Director

Implementation Date: August 2021

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Objective B: Effectiveness of Internal Controls

Ensure that controls over selected critical and high-risk processes within Human Resource Administration processes are operating efficiently and effectively, and resulting in accurate processing, information and timely completion.

1. **Procedures Performed:** We obtained the positions/staffing tables worksheet from Human Resources with the counts of open and currently filled positions during our scope period of August 1, 2019 through October 31, 2020. We verified that the counts included both open and filled positions and that the count reconciles to the positions presented in the College's Budget. Additionally, we verified that the position counts as outlined in the worksheet were approved by the Board of Trustees.

Results: No findings identified.

2. **Procedures Performed:** We selected a sample of 25 employees who were newly hired during the scope period beginning August 1, 2019 through October 31, 2020. For each selected new hire, we verified the following:
 - The candidate met the minimum requirements for the position
 - The interview questions were consistent, applicable to the position, and reviewed and approved by HR
 - The Hiring Committee Members included the appropriate numbers and diverse
 - A standard evaluation criteria was established and administered.

Results: We identified 26 unique discrepancies amount 19 new hires, in which the internal controls for evidencing the interviewing and assessment of qualified candidates were not consistently documented and performed.

Finding 03 – MODERATE – Selection Processes: We reviewed 25 new employees hired between August 1, 2019 through October 31, 2020 to ensure the selection process and procedures for candidate assessments were consistently performed and documented. Of the 25 new hires tested, we identified 26 unique discrepancies among 19 new hires which include the following:

- 9 of the 19 candidates non-classified positions evaluated lacked sufficient documentation to validate the appropriate number of members were part of the Hiring Committee and completed the candidate assessment forms
- 1 of the 19 candidates was interviewed by committee members from the same department and did not include a member from outside the department, resulting in the committee not meeting the diverse committee requirement
- 2 of the 19 candidates evaluated were assessed during the remote work environment and assessment forms were not turned in and available for review
- 5 of the 19 candidates evaluated did not have Candidate Assessments Forms available
- 8 of the 19 candidates evaluated included Candidate Assessments Forms that did not match the number of applicants interviewed for the position
- 1 of the 19 candidate selections evaluated did not include the completed assessment forms and therefore were not in the employees files

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Recommendation: We recommend that Human Resources enhance existing processes to validate that hiring committees are composed of the appropriate members prior to the execution of the candidate assessment phase. Additionally, Human Resources should enhance existing procedures to ensure all candidate assessment forms are complete and provided so they can be retained in the Human Resources files. Any appropriate and approved exceptions to the Hiring Committee composition should be documented and retained within the employment files.

Management's Response: Management agrees with conditions stated. HR will verify through People Admin, that a sufficient number of diverse search committee members are approved prior to the posting of the position. In the event a search committee cannot be adequately formed, a representative from HR will fill in to ensure each search has a diverse committee. Additionally, we will not move forward with the hiring process until we are in possession of all candidate assessment forms.

Responsible Party: Human Resources Director

Implementation Date: April 2021

3. **Procedures Performed:** We selected a sample of 25 employees who were newly hired during the scope period beginning August 1, 2019 through October 31, 2020. For each selected new hire, we verified that they were screened prior to employment, including the performance and passing of background and reference checks. We also verified that the verification procedures were performed consistently for each candidate.

Results: We identified six instances in which the documentation of the approval of the candidate's background check was inconsistent as well as 1 instance where a candidate background check on file was incomplete. We also identified two instances where the new hire candidate being evaluated had incomplete reference checks on file.

Finding 04 – MODERATE - Candidate Verification Procedures: We reviewed a sample of 25 new employees hired during the period of August 1, 2019 through October 31, 2020 to verify that candidate validation procedures, such as background checks and reference checks, were performed according to College policy and procedure. Of the 25 new hires tested, we identified 9 unique exceptions among 8 new employees which were a result of the following inconsistencies in the completion of the required background check forms and references:

- 6 of the 25 new hires evaluated included background check forms that did not have the approval/denial boxes checked, signed on the correct line by the HR authorizing agent, or signed by an HR authorizing agent
- 1 of the 25 new hires was processed with an incomplete background check, which was due to a courthouse closure during the COVID-19 pandemic
- 2 of the 25 new hires evaluated had incomplete reference checks, including not having the appropriate amount of references and references that did not identify which was from the required supervisor reference

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Recommendation: We recommend that Human Resources coordinate with IT to develop an electronic form to complete the background check authorization process, which should include proper routing and date/time stamps of the approvals. Additionally, Human Resources should enhance existing practices to verify that reference checks meet the required number and indicate the supervisor affiliation of the reference to the applicant.

Management's Response: Management agrees with conditions stated. HR Director will develop a process to ensure all approval/denial boxes are checked and signatures are present in the correct location. Additionally, the background check form has been created in Nextgen Forms and is currently in the testing phase.

Responsible Party: Human Resources Director

Implementation Date: May 2021

4. **Procedures Performed:** We selected a sample of 25 employees who were newly hired during the scope period beginning August 1, 2019 through October 31, 2020. For each selected new hire, we reviewed the new hire documentation and forms in PeopleAdmin to verify that the employees file was complete and was provided prior to and after their hire date. The documentation and forms evaluated included:

- Personal Data Form
- Privacy of Information
- TRS Optional Retirement Program Confirmation
- Controlled Substance Policy
- Employee Notice of Alliance Requirements
- Drug Free Acknowledgment
- Social Security Windfall Provision
- Acknowledgement of Documentation Required as a Condition of Employment
- Direct Deposit Form
- Faculty English Proficiency Statement (if applicable)
- Statement Concerning Your Employment in a Job Not Covered by Social Security
- W-4, I-9 and appropriate supporting documentation

Results: No findings identified.

5. **Procedures Performed:** We selected a sample of 25 employees who were hired during the scope period of August 1, 2019 through October 31, 2020. We verified that the employee information, such as name, address, date of hire, positions, and pay rate information within Colleague is complete and accurate. We also verified that employee documentation is reviewed, approved and adequately stored. Further, we verified that salaries, pay rates and stipends are accurately documented within Colleague by Payroll.

Results: No findings identified.

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6. **Procedures Performed:** We reviewed a sample of 25 current employees during the scope period of August 1, 2019 through October 31, 2020 to determine if the assignment, administering, and monitoring of completed employee training was effective. We verified that all required new employee and reoccurring training was administered, performed and completed according to policy and procedures.

Results: No findings identified.

7. **Procedures Performed:** We reviewed a sample of 25 employee evaluations that occurred during the scope period of August 1, 2019 through October 31, 2020. We verified that they were completed timely, retained, performed by the appropriate supervisor level, and the use of performance evaluation forms and criterion were applied consistently.

Results: No findings identified.

8. **Procedures Performed:** We reviewed a sample of 5 compliance reports that were submitted by the College to the different key regulatory bodies and Texas associations, including the Legislative Budget Board, Texas Higher Education Coordinating Board, U.S. Department of Education, the Texas Community College Teachers Associate, and Texas Associate of Community Colleges to ensure they were appropriately prepared, reviewed, and submitted timely.

Results: We identified 1 instance in which the report is prepared and reviewed by the same employee and there is no separate review and approval function incorporated into the process.

Finding 05 – LOW – Compliance Reporting: We reviewed a sample of 5 compliance reports that are submitted by the College to the US Department of Education, Texas Legislative Budget Board, Texas Higher Education Coordinating Board, the Texas Community College Teachers Association, and Texas Association of Community Colleges to ensure they were appropriately prepared, reviewed, and submitted timely. We identified 1 report, the Texas Higher Education Coordinating Board Retirement Participation Report, did not have a reviewer other than the preparer of the report. Although the report was completed timely and accurately, the report was not routed to be reviewed by a supervisor or independent party to validate completeness and accuracy prior to submission.

Recommendation: We recommend that the College incorporate a review process for the Texas Higher Education Coordinating Board Retirement Participation Report to validate the contents of the report as accurate and complete prior to submission. The reviewer of the report should be a supervisor that is familiar with the contents of the report and can attest to the information submitted.

Management Response: Management agrees with conditions stated. Payroll will coordinate with the College Controller to perform a review and approval of the Texas Higher Education Coordinating Board Retirement Participation Report prior to submittal.

Responsible Body: Human Resources Director

Implementation Date: October 2021

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9. **Procedures Performed:** We obtained the listing of the one-time merit distributions issued during the scope period of August 1, 2019 through October 31, 2020. We verified that they were appropriately reviewed and approved by Human Resources, the College President, and the Board of Trustees.

Results: No findings identified

10. **Procedures Performed:** We selected a sample of 25 non-tenured faculty and staff whose contracts were renewed during the scope period beginning August 1, 2019 through October 31, 2020. We verified that the contracts were in place, on file, signed, and approved prior to the start date. We also verified that contracts were approved by the appropriate level of management.

Results: No findings identified.

11. **Procedures Performed:** We selected the sole employee who appealed their contract non-renewal during the scope period beginning August 1, 2019 through October 31, 2020. We verified that the contract non-renewal appeal was executed according to the College's policies and procedures and approved for non-renewal by the College President.

Results: No findings identified.

12. **Procedures Performed:** We selected a sample of 25 employee changes that were requested and processed from Personnel Action Forms (PAFs) that occurred during the scope period beginning August 1, 2019 through October 31, 2020. We verified that the employee changes were accurately and timely input and processed in the system.

Results: No findings identified.

13. **Procedures Performed:** We selected and reviewed all the job descriptions that were updated during the scope period beginning August 1, 2019 through October 31, 2020. We verified that the job description updates were reviewed and approved by appropriate HR and Department Supervisor personnel prior to posting.

Results: No findings identified.

14. **Procedures Performed:** We selected a sample of 25 employees currently employed at the College during the scope period of August 1, 2019 through October 31, 2020 to validate alignment of the salary grades and amounts to College Policy. For each selected employee, we obtained the current salary grade and salary amounts and verified that the employee's salaries were accurately reflected within the College's salary schedule and that their salary grade is within the established ranges.

Results: No findings identified.

15. **Procedures Performed:** We selected a sample of 25 employees who separated from the College during our scope period of August 1, 2019 through October 31, 2020. For each selected employee, we verified that the separations included a completed Exit Checklist, were adequately processed and approved, that employee access was removed timely, and that complete documentation was maintained.

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Results: We identified 5 instances in which the Exit Checklists were not completed nor submitted to Human Resources upon the separation of the employee from the College and 10 instances where the separation steps listed and supervisor sign-offs on the Exit Checklist were not completed.

Finding 06 – MODERATE - Employee Separation Process: The College does not have an enforceable process in place to require that all separations, including voluntary and involuntary employee separations, complete and submit the Exit Checklist to Human Resources. Although an Exit Checklist is required to be completed by departments and submitted timely to Human Resources, abrupt or unanticipated departures often result in exit checklist not being completed. As a result, the collection of College property and restriction of IT access can be delayed.

We reviewed 25 full-time employee separations that occurred during the period of August 1, 2019 to October 31, 2020 to verify that employee separations included Exit Checklists that were adequately completed, processed, and approved. Of the 25 employee separations tested, we identified 15 unique exceptions from the employee separations which included the following:

- 5 of the 15 employee separations had an Exit Checklist that was not completed nor submitted to Human Resources upon separation from the College
- 10 of the 15 employee separations had Exit Checklists that did not include complete notations, comments, or dated sign-offs from appropriate supervisory personnel on the specified separation steps to validate that all the procedures were performed

Recommendation: We recommend that Human Resources implement further training and instruction to Departments on the importance of completing the Exit Checklist timely and informing Human Resources immediately of any unknown separations. Additionally, Exit Checklist should be completed retroactively for all separated employees to verify that user access is removed to College systems and any keys or property were collected.

Management Response: Management agrees with conditions stated. Although it is not always feasible to retrieve exit checklists on employees that are involuntarily separated, we will work with management by reinforcing policy and by providing training during Convocation/Leadership Academy training on the importance of completing the Exit Checklist prior to the employees departure.

Responsible Party: Human Resources Director
Implementation Date: April 2021

Objective C: User Access

Ensure that access to view, process and modify personnel transactions within the Human Resources' systems is restricted to appropriate personnel and that access is periodically reviewed.

1. **Procedures Performed:** We obtained system generated lists of College of the Mainland personnel with access to the systems and screens utilized within the Human Resources processes, including:
 - Colleague
 - PeopleAdmin

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We evaluated the level and type of access granted to each College of the Mainland personnel within each application to determine if the access to view or make modifications was reasonable and appropriately restricted based on the user's position and job duties. Additionally, we evaluated whether user access within the applications is formally and periodically reviewed to identify users that should be removed or have their access limited or increased based on their job duties and roles.

Results: No findings identified.

Appendix

College of the Mainland
Internal Audit Report over Bursar and Cash Management
February 11, 2021
Issued: April 12, 2021

The appendix defines the approach and classifications utilized by Internal Audit to assess the residual risk of the area under review, the priority of the findings identified, and the overall assessment of the procedures performed.

Report Ratings

The report rating encompasses the entire scope of the engagement and expresses the aggregate impact of the exceptions identified during our test work on one or more of the following objectives:

- Operating or program objectives and goals conform with those of the College
- College objectives and goals are being met
- The activity under review is functioning in a manner which ensures:
 - Reliability and integrity of financial and operational information
 - Effectiveness and efficiency of operations and programs
 - Safeguarding of assets
 - Compliance with laws, regulations, policies, procedures and contracts

The following ratings are used to articulate the overall magnitude of the impact on the established criteria:

Strong	The area under review meets the expected level. No high risk rated findings and only a few moderate or low findings were identified.
Satisfactory	The area under review does not consistently meet the expected level. Several findings were identified and require routine efforts to correct, but do not significantly impair the control environment.
Unsatisfactory	The area under review is weak and frequently falls below expected levels. Numerous findings were identified that require substantial effort to correct.

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Risk Ratings

Residual risk is the risk derived from the environment after considering the mitigating effect of internal controls. The area under audit has been assessed from a residual risk level utilizing the following risk management classification system.

High

High risk findings have qualitative factors that include, but are not limited to:

- Events that threaten the College's achievement of strategic objectives or continued existence
- Impact of the finding could be felt outside of the College or beyond a single function or department
- Potential material impact to operations or the College's finances
- Remediation requires significant involvement from senior College management

Moderate

Moderate risk findings have qualitative factors that include, but are not limited to:

- Events that could threaten financial or operational objectives of the College
- Impact could be felt outside of the College or across more than one function of the College
- Noticeable and possibly material impact to the operations or finances of the College
- Remediation efforts that will require the direct involvement of functional leader(s)
- May require senior College management to be updated

Low

Low risk findings have qualitative factors that include, but are not limited to:

- Events that do not directly threaten the College's strategic priorities
- Impact is limited to a single function within the College
- Minimal financial or operational impact to the organization
- Require functional leader(s) to be kept updated, or have other controls that help to mitigate the related risk



Expanded Corequisites and the Second Chance Boot Camp

Dr. Rocky Barney, Dean of Instruction

Dr. Jerry Fliger, Vice President for Instruction

Expanded Corequisites and the Second Chance Boot Camp

Leadership Cabinet

April 14th, 2021

Goals



Deliver expanded corequisites to students not meeting the College Ready (CR) Standard



Maximize new tools provided with TSIA2



Expand collaborative effort between Instruction, ABE, Advising, and the Tutoring Center



Exceed THECB recommendations for corequisite education

TSIA2/Corequisite Routing

▶ Current

- ▶ Students scoring < Diagnostic Level (Diagnostic Level) V in Math or DL IV in English are routed to the College Success Academy (CSA)

▶ Proposed

- ▶ Students scoring DL IV will have access to “expanded corequisite” courses
- ▶ Students scoring \leq DL III
 - ▶ Certificate
 - ▶ Second Chance Boot Camp
 - ▶ CSA

Expanded Corequisites

MATH 0306 - Foundations for Mathematics

- Expanded MATH 0308 will include additional basic mathematics
- Serves to feed the MATH 1332 (Quantitative Reasoning Pathway)
- May serve as prerequisite for MATH 1342 in future iterations

MATH 0315 - Foundations of Algebra

- Expanded MATH 0320 includes Elementary Algebra
- Serves to feed STEM (MATH 1314) and Business & Social Science (MATH 1324) Pathways

Second Chance Boot Camp

- ▶ Diagnostic Level I-III will be invited to enroll in bootcamp
- ▶ Course lasts two weeks, beginning the week of July 12th
- ▶ Week one will run 9AM-noon MTWR with a faculty member present for two hours and a professional tutor available throughout.
- ▶ Classroom will also be available, staffed with a professional tutor, from 1-3PM MTWR for students to continue working.
- ▶ Students retake the exam on Friday of 2nd week.
- ▶ Students retesting at DL IV, including STEM Pathway, will place into corequisite

Further Options for DL I-III

The State of Texas does not recommend corequisite measures for students that are not NCR (DL I-III).



Students who still score DL I-III will be provided with options:

College Success Academy

Level One Certifications

Mathematics Grade Equivalency

Diagnostic Level (Approximated on NRS)	Grade Level Equivalents	Descriptors
I	1	<ul style="list-style-type: none">• Little # recognition• Minimal counting (addition/subtraction)
II	2,3	<ul style="list-style-type: none">• Can use addition/subtraction on whole # up to 3 digits• Can perform multiplication through 12• Solve word problems up to 3 digits
III	4,5	<ul style="list-style-type: none">• Accurately use all 4 operations on whole numbers up to 3 digits• Solve two step word problems• Recognize and compare fractions with the same denominator
IV	6,8	
V	9,10	
VI	11,C	

Mathematics Examples

▶ DL I

- ▶ Assumed minimum proficiency

$$3 + 5 =$$

$$4 + 3 =$$

$$11 - 3 =$$

▶ DL III

- ▶ The local Rec. Center has 1214 total members.
 - ▶ If there are two types of members, Tier I and Tier II, and there are 860 Tier I members, how many Tier II members are there?
 - ▶ What percent of the members are Tier II?

▶ DL V

- ▶ Solve the following system of linear equations using substitution:
 - ▶ $3x + y = 6$
 - ▶ $x = 18 - 3y$

Writing Examples

Writing Proficiency	Level I	Level II	Level III
Common	I am Carol. I am from Houston.	This is my sister Naomi. She is from El Paso.	This is Diane, my cousin from Dallas. She is here on vacation.
Sometimes	I'm Carol, and I grew up in Houston.	This is my half-sister Carol from El Paso.	This is my cousin I've been telling you about, Diane, visiting from Dallas.
Never	My name is Carol. I was born at Ben Taub and have always been an Inner-Loop.	I'd like you to meet Carol, my sister who grew up on the southside of El Paso.	Diane is in town for the Rodeo, and I have been wanting to introduce you two while she is in town.

Conclusions

- ▶ Model provides new opportunities for students $DL < V$
 - ▶ Expanded corequisites for STEM & non-STEM pathways
 - ▶ Second Chance Boot Camp
 - ▶ Student focused approach to options including CSA and Cert 1
- ▶ Enhanced collaboration opportunity across campus

Acknowledgements

- ▶ Beth Richards
- ▶ Brian Anderson
- ▶ Josh Hayes
- ▶ Leslie Richardson



MINUTE ORDER

To: Board of Trustees
From: Dr. Warren Nichols, President
Date: April 14, 2021
Subject: Monthly Financial & Investment Reports

AGENDA ITEM DESCRIPTION:

Consideration of and possible acceptance of the March 2021 Investment and Financial Reports.

PURPOSE

To report to the Board of Trustees the year-to-date revenues and expenses for the college, comparison of revenues and expenses to budget, and the college's current cash balance.

FUNDING SOURCE:

N/A

PROPOSED MOTION:

Suggested motion: "I move the Board of Trustees accept the March 2021 Investment Report and the March 2021 Financial Reports."

BACKGROUND

The investment officer shall prepare and submit to the Board a written report of investment transactions for all funds covered by the PFIA under Education Code 51.0032 and Government Code 2256.023.

In accordance with COM policy CDA (LOCAL) – Periodic financial reports shall be submitted to the Board outlining the progress of the budget to that date and reporting on the status of all District funds and District accounts.

ATTACHMENTS

1. March 2021 Investment Discussion & Report
2. March 2021 Revenue & Expense Summary
3. March 2021 Expense by Division Report



INVESTMENT REPORT
For the Month Ended March 2021

Investment discussion:

College of the Mainland earned \$6,735 for the month of March on its short-term investments in TexPool & Logic for a total of \$90,563 investment interest earned fiscal year to date. The College earned an additional \$1.00, fiscal year to date, from interest-bearing checking accounts. In total, the College earned \$90,564 interest for the fiscal year to date period ending February: TexPool - \$6,653 Logic 19 - \$16,157, Logic 20 - \$67,754, and TFB - \$1.

Investments in the TexPool & Logic investment pools remain more profitable than fixed rate certificate of deposits purchased at our depository bank. In addition, the investment pool provides more efficient liquidity than certificates of deposit, which are restricted to specific term lengths. Therefore, all investment funds remain in TexPool, Logic and interest earning checking accounts.

Investment Compliance Statement:

We provide reasonable assurance that the attached listing constitutes all investments currently owned by the College of the Mainland District as of the date indicated and that all these investments and investing procedures conform to the "Public Funds Investment Act" as amended by House Bill 2459 of the 74th Texas Legislature.

Furthermore, these same investments are in compliance with College of the Mainland's investment policy and strategy as adopted by the College of the Mainland's Board of Trustees.

A handwritten signature in blue ink, appearing to read 'Clen Burton', written over a horizontal line.

Clen Burton
Vice President of Fiscal Affairs
College of the Mainland

A handwritten signature in blue ink, appearing to read 'Trudy Trochesset', written over a horizontal line.

Trudy Trochesset
Controller
College of the Mainland



TexPool Investments for March 2021.

Investment	COM Fund	Balance Beginning of Month	Increases	Decreases	Interest Earned	Balance End of Month	Average Balance	Annualized Average Interest Rate
Operating	11	\$ 29,173,356	\$ -	\$ 2,384,000	436	26,789,792	27,149,241	0.019%
Moody	41	26,598	-	-	0	26,599	26,598	0.018%
Totals		\$ 29,199,954	\$ -	\$ 2,384,000	\$ 436	\$ 26,816,391	\$ 27,175,839	

Note: For the above listed investments in TexPool, book value is equivalent to market value.
There was no accrued interest as of March 2021.

Logic (Hilltop Securities) Investments for March 2021.

Investment	COM Fund	Balance Beginning of Month	Increases	Decreases	Interest Earned	Balance End of Month	Average Balance	Annualized Average Interest Rate
COM Bond 2019	45	\$ 3,609,734	\$ -	\$ 3,609,000	231	965	2,794,799	1.000%
COM Bond 2020	46	\$ 74,270,299	\$ -	\$ 788,999	6,068	73,487,368	74,092,138	1.000%
Totals		\$ 77,880,034	\$ -	\$ 4,397,999	\$ 6,299	\$ 73,488,334	\$ 76,886,937	
Totals		\$ 107,079,988	\$ -	\$ 6,781,999	\$ 6,735	\$ 100,304,725	\$ 104,062,776	

Unrestricted Fund (Unaudited)

Summary of Revenue

	<u>Current Actual</u>	<u>2020-21 Budget</u>	<u>Budget Remaining</u>	<u>Budget Pct.YTD</u>	<u>Prior Year to Actual</u>	<u>Curr. vs Prior Year to Year</u>
Operating revenue						
Tuition-credit	(4,347,705)	(5,201,169)	(853,464)	84%	(4,699,770)	352,065
Tuition-non-credit	(296,125)	(1,288,889)	(992,764)	23%	(475,197)	179,071
Exemptions and waivers	1,388,180	1,368,240	(19,940)	101%	1,428,713	(40,533)
Registration fees	(2,050,606)	(2,209,200)	(158,594)	93%	(2,136,245)	85,639
Other fees	(97,327)	(168,982)	(71,655)	58%	(90,086)	(7,241)
Grant revenue	(68,355)	(81,568)	(13,213)	84%	(66,728)	(1,627)
Sales and service revenue	1,587	(533,800)	(535,387)	0%	(29,010)	30,597
Miscellaneous revenue	(112,085)	(134,632)	(22,547)	83%	(74,661)	(37,424)
TPEG transfer in/out	0	250,000	250,000	0%	0	0
<u>Totals for Operating revenue</u>	<u>(5,582,437)</u>	<u>(8,000,000)</u>	<u>(2,417,563)</u>	<u>70%</u>	<u>(6,142,985)</u>	<u>560,547</u>
Non-operating revenue						
State appropriation-Academic	(3,430,979)	(6,533,000)	(3,102,021)	53%	(3,431,022)	43
Property tax revenue	(22,635,553)	(23,450,000)	(814,447)	97%	(22,638,230)	2,677
Interest revenue	(6,640)	(350,000)	(343,360)	2%	(134,118)	127,478
FTZ reimbursement	(531,472)	(350,000)	181,472	152%	(483,127)	(48,345)
Renew & replace transfer out	0	1,783,000	1,783,000	0%	0	0
<u>Totals for Non-operating revenue</u>	<u>(26,604,644)</u>	<u>(28,900,000)</u>	<u>(2,295,356)</u>	<u>92%</u>	<u>(26,686,497)</u>	<u>81,853</u>
<u>Total Revenue</u>	<u>(32,187,081)</u>	<u>(36,900,000)</u>	<u>(4,712,919)</u>	<u>87%</u>	<u>(32,829,482)</u>	<u>642,400</u>

Unrestricted Fund (Unaudited)

Summary of Expense

	<u>Current Actual</u>	<u>2020-21 Budget</u>	<u>Budget Remaining</u>	<u>Budget Pct.YTD</u>	<u>Prior Year to Actual</u>	<u>Curr. vs Prior Year to Year</u>
Salary and wages						
Faculty full-time	4,493,229	7,748,736	3,255,507	58%	4,442,999	50,229
Admin full-time	946,913	1,524,001	577,088	62%	898,445	48,468
Professional full-time	4,133,833	7,156,023	3,022,190	58%	4,259,473	(125,640)
Classified full-time	2,334,980	4,102,272	1,767,292	57%	2,330,676	4,304
Part-time	1,194,664	3,847,446	2,652,782	31%	1,856,521	(661,857)
Salary increase	0	282,223	282,223	0%	0	0
Vacancy savings	0	(970,000)	(970,000)	0%	0	0
<u>Totals for Salary and wages</u>	<u>13,103,619</u>	<u>23,690,701</u>	<u>10,587,082</u>	<u>55%</u>	<u>13,788,114</u>	<u>(684,496)</u>
Benefits						
Benefits	2,509,827	4,156,934	1,647,107	60%	2,623,699	(113,871)
<u>Totals for Benefits</u>	<u>2,509,827</u>	<u>4,156,934</u>	<u>1,647,107</u>	<u>60%</u>	<u>2,623,699</u>	<u>(113,871)</u>
Operating expenses						
Contract services	1,838,007	2,792,720	954,713	66%	1,904,012	(66,005)
Legal	1,703	12,485	10,783	14%	2,705	(1,002)
Operations	235,278	771,795	536,517	30%	388,749	(153,470)
Utilities and Rent	827,161	1,511,223	684,062	55%	816,753	10,408
Postage, printing, and supplies	311,284	1,340,070	1,028,786	23%	588,905	(277,621)
Bank fees	38,576	84,000	45,424	46%	40,252	(1,676)
Capital outlay & leases	33,965	56,503	22,538	60%	39,235	(5,270)
Insurance	1,617,863	852,013	(765,850)	190%	776,746	841,117
Public relations and advertising	34,989	245,346	210,357	14%	45,021	(10,033)
Misc.	257,050	334,800	77,751	77%	277,758	(20,708)
Reimbursement from Others	0	(148,590)	(148,590)	0%	0	0
MTN Payment	337,500	1,200,000	862,500	28%	345,075	(7,575)

Unrestricted Fund (Unaudited)

<u>Totals for Operating expenses</u>	<u>5,533,375</u>	<u>9,052,365</u>	<u>3,518,990</u>	<u>61%</u>	<u>5,225,211</u>	<u>308,164</u>
<u>Total Expense</u>	<u>21,146,821</u>	<u>36,900,000</u>	<u>15,753,179</u>	<u>57%</u>	<u>21,637,024</u>	<u>(490,203)</u>

Unrestricted Fund (Unaudited)

Summary of Fund Bal

	<u>Current Actual</u>	<u>2020-21 Budget</u>	<u>Budget Remaining</u>	<u>Budget Pct.YTD</u>	<u>Prior Year to Actual</u>	<u>Curr. vs Prior Year to Year</u>
Operating expenses						
Contract services	346,030	0	(346,030)	0%	161,992	184,038
Operations	0	0	0	0%	35,891	(35,891)
Utilities and Rent	82,854	0	(82,854)	0%	0	82,854
Postage, printing, and supplies	718,536	0	(718,536)	0%	325,685	392,851
Capital outlay & leases	351,070	0	(351,070)	0%	433,815	(82,745)
Misc.	6,196	0	(6,196)	0%	0	6,196
<u>Totals for Operating expenses</u>	<u>1,504,686</u>	<u>0</u>	<u>(1,504,686)</u>	<u>0%</u>	<u>957,383</u>	<u>547,303</u>
<u>Total Fund Bal</u>	<u>1,504,686</u>	<u>0</u>	<u>(1,504,686)</u>	<u>0%</u>	<u>957,383</u>	<u>547,303</u>

Unrestricted Fund (Unaudited)

	<u>Current Actual</u>	<u>2020-21 Budget</u>	<u>Budget Remaining</u>	<u>Budget Pct.YTD</u>	<u>Prior Year to Actual</u>	<u>Curr. vs Prior Year to Year</u>
<u>Expense by Division</u>						
<u>Summary for President</u>						
Board of Trustees	2,905	19,400	16,495	15%	21,396	(18,491)
Campus Police	381,678	837,392	455,713	46%	450,794	(69,116)
Emergency Management	0	0	0	0%	195	(195)
Gen Institution	202,855	308,404	105,549	66%	212,359	(9,504)
Information Technology Serv	1,267,976	1,940,281	672,305	65%	1,204,429	63,546
Internal Audit	102,334	150,000	47,666	68%	81,071	21,263
OPEAR	301,580	448,688	147,108	67%	266,919	34,661
Presidents Office	373,230	577,455	204,225	65%	344,795	28,434
Self Study SACS	1,000	18,000	17,000	6%	1,541	(541)
Staff Attorney	100,296	172,595	72,299	58%	92,470	7,826
<u>Totals for President</u>	<u>2,733,853</u>	<u>4,472,214</u>	<u>1,738,361</u>	<u>61%</u>	<u>2,675,971</u>	<u>57,882</u>
<u>Summary for VP Fiscal Affairs</u>						
Central Mail	65,558	125,912	60,354	52%	67,753	(2,196)
Custodial Services	193,488	363,278	169,790	53%	218,104	(24,616)
Facilities	2,996,940	3,116,739	119,799	96%	2,190,304	806,636
Financial Services	542,082	872,842	330,760	62%	616,866	(74,784)
Grounds	77,238	115,757	38,519	67%	98,269	(21,030)
Human Resources	334,723	530,088	195,365	63%	292,934	41,789
Maintenance Tax Note	337,500	1,200,000	862,500	28%	345,075	(7,575)
Purchasing	162,901	289,876	126,975	56%	159,205	3,696
Records Mgmt	4,310	20,952	16,642	21%	14,355	(10,044)
Reimbursement	0	(148,590)	(148,590)	0%	0	0
Salary Savings	0	(970,000)	(970,000)	0%	0	0
Staff Benefits	488,748	2,416,918	1,928,170	20%	726,547	(237,799)

Unrestricted Fund (Unaudited)

	<u>Current Actual</u>	<u>2020-21 Budget</u>	<u>Budget Remaining</u>	<u>Budget Pct.YTD</u>	<u>Prior Year to Actual</u>	<u>Curr. vs Prior Year to Year</u>
Tax Admin	188,661	232,631	43,970	81%	181,285	7,376
Telecommunications	0	0	0	0%	594	(594)
Utilities	297,231	625,000	327,769	48%	353,664	(56,433)
Vehicle Operations	66,210	105,390	39,180	63%	66,688	(478)
VP College & Fin Svcs	120,858	235,181	114,323	51%	150,720	(29,862)
<u>Totals for VP Fiscal Affairs</u>	<u>5,876,449</u>	<u>9,131,974</u>	<u>3,255,526</u>	<u>64%</u>	<u>5,482,363</u>	<u>394,086</u>
<u>Summary for VP Institutional Advancement</u>						
COM Foundation Dept	54,003	108,540	54,536	50%	54,854	(851)
Marketing and Communications	387,251	817,560	430,309	47%	432,054	(44,804)
VP Institutional Advancement	344,202	567,099	222,897	61%	328,596	15,607
<u>Totals for VP Institutional Advancement</u>	<u>785,456</u>	<u>1,493,198</u>	<u>707,742</u>	<u>53%</u>	<u>815,504</u>	<u>(30,048)</u>
<u>Summary for VP Instruction</u>						
Acad Succ Re/Wr	515,818	799,534	283,716	65%	559,839	(44,021)
Accting-Credit	101,932	105,931	3,999	96%	91,905	10,026
Adm-C.I.D.T.	37,740	67,508	29,768	56%	35,801	1,940
Adm-Cont Ed	324,865	361,290	36,425	90%	314,199	10,666
Adm-Ind Tech	0	8,000	8,000	0%	3,529	(3,529)
Adm-Instruct	37,667	75,845	38,178	50%	38,675	(1,008)
Adm-Perf & Vis Arts	45,297	79,058	33,762	57%	45,959	(662)
Adm-Pub Svc Ed	35,712	60,194	24,483	59%	58,651	(22,940)
Adm-Science	19,284	64,189	44,905	30%	19,311	(27)
Adm-Soc Sci	40,761	78,009	37,247	52%	41,580	(818)
Adult Education	131,248	199,674	68,426	66%	114,020	17,229
Allied Health CE	161,794	256,059	94,265	63%	165,703	(3,909)
Art	144,034	231,488	87,455	62%	146,663	(2,629)
Art Gallery	35,194	58,412	23,218	60%	36,148	(955)
Biol & Nutrition	438,504	686,352	247,848	64%	442,972	(4,468)

Unrestricted Fund (Unaudited)

	<u>Current Actual</u>	<u>2020-21 Budget</u>	<u>Budget Remaining</u>	<u>Budget Pct.YTD</u>	<u>Prior Year to Actual</u>	<u>Curr. vs Prior Year to Year</u>
Bus Ed-NonCR	0	0	0	0%	0	0
Bus Tech	10,436	10,586	150	99%	16,961	(6,525)
C.I.S.	58,481	88,857	30,377	66%	59,425	(944)
Chemistry	114,618	183,322	68,704	63%	125,610	(10,992)
Child Dev CE	0	0	0	0%	0	0
Child Develop	45,811	69,614	23,803	66%	46,654	(843)
Child Develop Lab	0	0	0	0%	330,636	(330,636)
Cmnty Theater	210,681	386,643	175,963	54%	207,770	2,910
Collegiate H.S.-CR	93,551	145,871	52,320	64%	90,738	2,813
Cosmetology	382,545	628,535	245,990	61%	374,174	8,371
Criminal Justice	55,201	85,372	30,172	65%	61,752	(6,551)
Dean Cont Ed	513	173,672	173,159	0%	1,047	(534)
Dean Gen Ed	116,050	193,063	77,013	60%	116,003	47
Distance Ed	296,788	413,211	116,423	72%	284,767	12,021
Drafting	47,479	72,591	25,112	65%	54,886	(7,407)
Dual Credit Dept	97,222	170,049	72,827	57%	100,995	(3,773)
Economics	48,785	74,757	25,972	65%	48,132	652
Emergency Management Credit	0	0	0	0%	13,600	(13,600)
EMS-Credit	176,396	246,305	69,909	72%	160,948	15,449
Fire Tech	196,940	248,630	51,690	79%	185,734	11,206
Fire Tech-Basic	0	0	0	0%	0	0
Firearms Acad	14,861	104,901	90,040	14%	44,859	(29,998)
Foreign Lang	43,352	67,155	23,803	65%	44,040	(688)
Gen Bus-Credit	50,908	86,519	35,611	59%	31,768	19,140
Geology	47,559	74,964	27,405	63%	44,796	2,764
Government	202,493	298,951	96,458	68%	210,629	(8,135)
Graphic Arts	67,672	94,145	26,473	72%	79,454	(11,782)
Health and PE Credit	94,603	141,130	46,527	67%	98,319	(3,716)

Unrestricted Fund (Unaudited)

	<u>Current Actual</u>	<u>2020-21 Budget</u>	<u>Budget Remaining</u>	<u>Budget Pct.YTD</u>	<u>Prior Year to Actual</u>	<u>Curr. vs Prior Year to Year</u>
Health Info Mgmt	107,303	201,981	94,678	53%	104,549	2,754
Hist & Geog	178,881	277,069	98,188	65%	185,500	(6,619)
Humanities	132,574	198,388	65,814	67%	130,118	2,456
Instr Tech Department	137,417	236,244	98,828	58%	127,223	10,193
Instr Tech Lab Mgrs	90,590	181,425	90,835	50%	177,916	(87,326)
Law Enforcement	54,957	104,144	49,186	53%	51,102	3,856
Law Enforcemnt-NonCR	42,912	22,696	(20,216)	189%	37,898	5,015
LC Ctr Admin	3,326	23,905	20,579	14%	15,628	(12,302)
Library	413,069	639,747	226,677	65%	374,891	38,178
Management	38,885	72,948	34,063	53%	54,289	(15,404)
Massage Therapy	0	7,400	7,400	0%	759	(759)
Math	458,329	731,813	273,484	63%	521,580	(63,251)
Medical Assistant	46,049	97,519	51,470	47%	56,729	(10,681)
Music	218,582	348,635	130,053	63%	231,076	(12,494)
Networking	55,534	91,646	36,112	61%	60,111	(4,577)
Nursing Administration	219,962	408,040	188,078	54%	234,570	(14,608)
Nursing-AD	800,296	1,483,967	683,671	54%	895,253	(94,957)
Nursing-VN	212,399	332,672	120,273	64%	203,672	8,727
Pharmacy Tech	61,173	93,242	32,068	66%	63,981	(2,808)
Philosophy	27,737	13,502	(14,236)	205%	34,435	(6,698)
Physics	81,602	116,449	34,847	70%	96,019	(14,417)
Process Tech	416,059	597,409	181,350	70%	436,587	(20,528)
Prof Develop Acad	0	12,000	12,000	0%	34,067	(34,067)
Psychology	229,527	351,042	121,515	65%	237,167	(7,639)
QEP	0	0	0	0%	0	0
Safety-CR	66,703	106,531	39,828	63%	71,354	(4,651)
Senior Adult Dept	134,543	228,014	93,471	59%	220,049	(85,507)
Social Science Non CR	25,818	69,608	43,789	37%	18,743	7,075

Unrestricted Fund (Unaudited)

	<u>Current Actual</u>	<u>2020-21 Budget</u>	<u>Budget Remaining</u>	<u>Budget Pct.YTD</u>	<u>Prior Year to Actual</u>	<u>Curr. vs Prior Year to Year</u>
Sociology	44,979	66,614	21,634	68%	47,255	(2,276)
Speaking,Reading,Writing	296,907	524,028	227,121	57%	306,371	(9,463)
Theater Arts-Credit	39,344	81,377	42,032	48%	34,121	5,224
Thermal Tech-NonCR	26,691	45,705	19,014	58%	60,579	(33,888)
Virtual College TX	1,120	1,120	0	100%	0	1,120
VP Instruction	247,161	2,309,606	2,062,445	11%	153,799	93,362
Welding-Cred	287,906	611,283	323,377	47%	326,332	(38,426)
Totals for VP Instruction	<u>9,741,129</u>	<u>17,878,152</u>	<u>8,137,024</u>	<u>54%</u>	<u>10,552,373</u>	<u>(811,245)</u>
<u>Summary for VP Student Services</u>						
Admissions	215,212	342,578	127,366	63%	224,610	(9,398)
Advise Center	415,296	688,893	273,597	60%	349,282	66,014
Career & Placement	0	68,266	68,266	0%	0	0
Career Svcs	0	1,715	1,715	0%	222	(222)
Counseling	0	265	265	0%	46,481	(46,481)
Enrollment Mgmt	63,349	76,489	13,140	83%	50,712	12,637
Facilities & Student Recreat	19,228	120,207	100,978	16%	120,073	(100,844)
Judicial Affairs	118,747	183,503	64,756	65%	128,376	(9,629)
Multicultural Department	2,494	12,500	10,006	20%	7,964	(5,470)
Recruitment	215,088	460,963	245,875	47%	283,166	(68,078)
Stu Financial Svcs	264,549	601,011	336,462	44%	316,669	(52,120)
Stu Organizations	185,006	305,328	120,321	61%	82,273	102,733
Student Graduation	25,570	74,080	48,510	35%	933	24,637
Svcs-Disab Students	25,393	50,112	24,719	51%	46,496	(21,103)
Testing	140,792	367,980	227,187	38%	171,383	(30,590)
Title V Grant	0	0	0	0%	101	(101)
Veteran Affairs	97,309	155,153	57,844	63%	94,054	3,256
VP Student Services	221,898	415,418	193,519	53%	188,018	33,881

Unrestricted Fund (Unaudited)

	<u>Current Actual</u>	<u>2020-21 Budget</u>	<u>Budget Remaining</u>	<u>Budget Pct.YTD</u>	<u>Prior Year to Actual</u>	<u>Curr. vs Prior Year to Year</u>
<u>Totals for VP Student Services</u>	<u>2,009,934</u>	<u>3,924,461</u>	<u>1,914,527</u>	<u>51%</u>	<u>2,110,812</u>	<u>(100,878)</u>
<u>Totals for Expense</u>	<u>21,146,821</u>	<u>36,900,000</u>	<u>15,753,179</u>	<u>57%</u>	<u>21,637,024</u>	<u>(490,203)</u>
<u>Fund Bal by Division</u>						
<u>Summary for President</u>						
Fund Balance - IT	0	0	0	0%	1,254	(1,254)
<u>Totals for President</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0%</u>	<u>1,254</u>	<u>(1,254)</u>
<u>Summary for VP Fiscal Affairs</u>						
Fund Balance - Academic Support	0	0	0	0%	56,643	(56,643)
Fund Balance - Institutional Support	546,175	0	(546,175)	0%	517,539	28,636
Fund Balance - Instruction	794,216	0	(794,216)	0%	293,357	500,859
Fund Balance - Oper & Maint	82,254	0	(82,254)	0%	19,710	62,544
Fund Balance - Public Service	0	0	0	0%	3,252	(3,252)
Fund Balance - Student Services	82,041	0	(82,041)	0%	65,628	16,413
<u>Totals for VP Fiscal Affairs</u>	<u>1,504,686</u>	<u>0</u>	<u>(1,504,686)</u>	<u>0%</u>	<u>956,128</u>	<u>548,558</u>
<u>Totals for Fund Bal</u>	<u>1,504,686</u>	<u>0</u>	<u>(1,504,686)</u>	<u>0%</u>	<u>957,383</u>	<u>547,303</u>
<u>Totals for Report</u>	<u>22,651,507</u>	<u>36,900,000</u>	<u>14,248,493</u>		<u>22,594,407</u>	<u>57,101</u>



Monthly Financial Report

Cash Situation

- Cash balance at the end of month was: \$26.8 million
- Minimum required cash : \$7.1 million
- Excess cash above minimum: \$19.7 million

Unaudited Operations Year to Date

- Revenues: Budget: \$36.9 million
Actual: \$ 32.2 million

- Expense: Budget: \$36.9 million
Actual: \$ 21.1 million
(57% Spent at 58% of year)



PRESIDENT'S OFFICE

Board Report

Presenter: Board Chair

A. Miscellaneous Updates



PRESIDENT'S OFFICE

President's Report

Presenter: Dr. Warren Nichols

A. Updates

B. Reminders/Announcements

1. Early Voting – April 19-23, April 26-27, Conference Center
2. Voting Day – May 1st, Conference Center
3. STEAM Ribbon Cutting/Industrial Careers Building Groundbreaking – April 30th at 2 p.m., STEAM Building
4. Spring 2021 Virtual Graduation Ceremony – May 15th at 10 a.m.
5. Return to Campus – June 1st

C. Resignations and Retirements Report - Report attached

D. Miscellaneous Updates



PRESIDENT'S OFFICE

Resignations & Retirements

Last Name	First Name	Position	Hire Date	Last Date of Work	Termination Reason
Garza	Hortencia	Custodian	11/13/2006	03/30/2021	Resignation
Brucia	Erin	Academic Advisor	09/01/2020	04/09/2021	Resignation
Rahman	Selina	Assoc Professor - Bus./Computer Tech.	08/25/1997	07/31/2021	Retirement
Koerner	Harry (Sparky)	Professor - Music	09/01/1983	08/31/2021	Retirement



PRESIDENT'S OFFICE

Executive Session

If, during the course of the meeting covered by this Notice, the Board should determine that a closed or executive meeting or session of the Board should be held or is required in relation to any items included in this Notice, then such closed or executive meeting or session as authorized by Section 551.001 et seq. of the Texas Government Code (the Open Meetings Act) will be held by the Board at that date, hour and place given in this Notice or as soon after the commencement of the meeting covered by the Notice as the Board may conveniently meet in such closed or executive meeting or session concerning any and all subjects and for any and all purposes permitted by Sections 551.071, inclusive, of the Open Meetings Act, including, but not limited to:

Section 551.071 – For the purpose of a private consultation with the Board's attorney on any or all subjects or matters authorized by law.

Section 551.072 – For the purpose of discussing the purchase, exchange, lease or value of real property.

Section 551.073 – For the purpose of considering a negotiated contract for a prospective gift or donation.

Section 551.074 – For the purpose of considering the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear complaints or charges against a public officer or employee.

Section 551.076 – To consider the deployment, or specific occasions for implementation, of security personnel or devices.

Section 551.082 – For the purpose of considering discipline of a student or to hear a complaint by an employee against another employee if the complaint or charge directly results in a need for a hearing.

Section 551.084 – For the purpose of excluding a witness or witnesses from a hearing during examination of another witness.

Section 551.089 – For purpose of discussing security devices or security audits.

Should any final action, final decision, or final vote be required in the opinion of the Board with regard to any matter considered in such closed or executive meeting or session, then such final action, final decision, or final vote shall be at either:

- A. The open meeting covered by this Notice upon the reconvening of the public meeting, or
- B. At a subsequent public meeting of the Board upon notice thereof, as the Board shall determine.

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PRESIDENT'S OFFICE

Possible Action on Agenda Items, Including Closed Session Matters

Consideration of and Possible Action on any items discussed in closed session.



MINUTE ORDER

To: Board of Trustees
From: Dr. Warren Nichols, President
Date: April 26, 2021
Subject: Internal Audit Report – Information Security

Presented for recommended acceptance to Board of Trustees on the same date.

MINUTE ORDER

Motion to be acted upon: “I move the Board of Trustees Accept the Internal Audit Report on Disaster Recovery and Business Continuity Planning, as presented on April 26, 2021.”

PURPOSE

To provide the Board of Trustees with information regarding the Disaster Recovery and Business Continuity Planning Internal Audit that was performed, including the procedures performed, results, recommendations for improvement, and management responses.

BACKGROUND

Internal Audit Reports are presented to the Board as they become available for discussion and acceptance.

IMPLICATIONS

Financial: N/A

Strategic Goal #1: N/A

Human Resources: N/A

Attachments

1. IA #02-20 Internal Audit Report over Disaster Recovery and Business Continuity Planning