

As you are aware, on August 3 and 4, 2017, a FCMAT study team conducted on-site visits at El Camino Real Charter High School ("ECR"). Over the course of those two days, FCMAT met with staff to review internal controls, processes and procedures for the business office. As a result of FCMAT's findings, ECR has taken these initial steps towards improving its business and business-related functions. Please note that these actions are only preliminary.

FCMAT's next ECR field visit is schedule for November 30th.

Job Duties and Procedure Manuals

ECR is developing procedure manuals for each business department function which will summarize, in detail, specific job functions as well as compliance expectations. These manuals will be reviewed and updated regularly and serve as a training tool for staff. Additionally, ECR has begun reviewing the job descriptions of the admin and clerical staff.

Staff Cross-Training

ECR recognizes the benefits of cross-training employees which include: readiness when there is a need to fill-in when there is an absence of another employee; providing more variety in employees' work; and the interaction of employees - which builds a sense of teamwork within the department.

ECR is taking these, as well as other, initial steps to promote the cross-training of their business staff employees:

- Identify the specific critical tasks for which cross-training is needed.
- Identify and match the skill set of those employees to be cross-trained with the skills required for a particular position.
- Discuss the reasons for cross-training with the employees. Have employees provide their input in order to assess their comfortability.
- Schedule adequate time, training materials, and training courses
- Show the employees that cross-training represents an integral part of their overall development plan
- Provide periodic re-training

Segregation of Duties

ECR agrees that segregation of duties is a key internal control intended to minimize the occurrence of errors or fraud. ECR intends to further divide the responsibilities of those employees who perform accounting procedures and those who handle assets. Ideally, separate employees will perform important duties such as: approval, custody of assets, transaction recording, and reconciliation. Of note, ECR has already taken steps to ensure that school's cash is counted by two employees.

Professional Development

ECR recognizes the importance of its employees' professional development and balancing their desires with their actual talents as well as the school's needs. ECR intends to strategically provide professional development opportunities internally and externally in order to provide them with a global perspective of their job responsibilities.

Going forward ECR intends take these steps to help assist employees in their professional development:

- Taking an honest and thoughtful self-assessment to identify skill, knowledge and experience gaps
- Planning practical steps with goals and timelines to fill gaps
- Acting consistently with the plan by accessing peers, managers, mentors, webinars, conferences, certifications, and college courses, as necessary.
- Taking time to reflect and evaluate, making informed decisions along the way to allow for personal growth. If your managers are not amenable or lack the natural inclinations to having these conversations, then external professional career consultants can be useful.

Accounting / Financial System

ECR has been working with various accounting software and business management vendors in hopes of implementing a fully-integrated financial system that includes employee leave, payroll, employee benefits, and position control modules so calculations are automatically tracked through the software.

One of the many benefits of such a system is that the business department would be able to monitor the various inter-school's budgets. All employees will be trained to properly use the county office accounting system. Internal controls should be strengthened and good business practices implemented to ensure that accounting activities are performed in a timely manner