School District of Indian River County

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Internal Review of
Human Resource - Employee Set Up

Prepared By:
RSM McGladrey
February 26, 2009

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The Audit Committee of the
School District of Indian River County
Vero Beach, FL 32960-3367

Pursuant to School District of Indian River County ("District') risk assessment, we hereby submit our internal audit report covering Employee Set Up. We will be presenting this report to the Audit Committee at the next scheduled meeting on March 12, 2009.

Our report is organized in the following sections:

Executive Summary	This provides a summary of the issues related to our internal audit of Employee Set Up.
Background	This provides an overview of the different categories and the process of Employee Set Up.
Objectives and Approach	The internal audit objectives and focus are expanded upon in this section as well as a review of the various phases of our approach.
Issues Matrix	This section gives a description of the observations, recommended action and management's response.

We would like to thank the various departments and all those involved in assisting the Internal Auditors in connection with the review of Employee Set Up.

Respectfully Submitted,

INTERNAL AUDITORS

Executive Summary

Executive Summary

The primary purpose of this review was to assess the design adequacy and operating effectiveness of the internal control structure in place over the Employee Set Up process and identify any areas for process improvements. At the request of the Audit Committee, we have expanded our scope to include documentation of the evaluation process for Administrators and for Teachers as mandated through the Collective Bargaining Agreement between the District and the Indian River County Education Association. Our follow-up procedures for this review will include detailed testing around the newly implemented Administrator evaluation process effective for the school year 2008/2009, the teacher's process as well as the Chapter two of the School Board policy which outlines the process of dealing with complaints relating to employees. During the course of our work, we discussed the control design and operating deficiencies with management. Our observations and recommendations for improving controls are described in detail in this report, along with management's response and an evaluation of the severity of the concern and the potential impact on the operations.

Each issue is assigned a relative risk factor. Relative risk is an evaluation of the severity of the concern and the potential impact on operations. Items rated as "High" risk are considered to be of immediate concern and could cause significant operational issues if not addressed in a timely manner. Items rated as "Moderate" risk may also cause operational issues and do not require immediate attention, but should be addressed as soon as possible. Items rated as "Low" risk could escalate into operational issues, but can be addressed through the normal course of conducting business. The table below provides a high-level summary of the issues identified.

Issues	Risk Rating
1. Employee Background Screening - the District's "Standard Operating Procedures for New Employees" state the following in relation to employee background screening, *"The offer is contingent upon a background check and drug screening" and "A Checklist for Orientation is used as a means of control to ensure an individual has cleared both the drug testing and the background check before being cleared for access to a facility. Both the Drug Testing and Fingerprinting requirements have to be initialed and signed off on the individual's checklist before that individual is issued an ID Badge which controls access to a facility."* We noted that 1 of 50 new hires tested had not undergone a background check prior to being hired and thus, the results were not completed or reviewed for clearance prior to this employee's start date. There is a risk of starting an employee with a possible criminal background. In this instance, we noted that the Fingerprinting section on the Orientation Checklist was initialed and signed off although the Fingerprinting had not been performed.	**High**
2. Segregation of Duties and User Access - Appropriate segregation of duties should include separating authorizing, recording, and reconciling functions. These duties are typically owned by different departments. We reviewed the segregation of duties and user access for various payroll functions and noted gaps. Without proper segregation of duties surrounding the employee master file maintenance, errors, misappropriation of employee data or other types of irregularities could occur without being detected in a timely manner, if at all. We did note that the District has begun to review its user access list within the HR Department during the time of our testing.	**Moderate**
3. Second Party Review of Employee Status Change Input - There were approximately 344 status changes processed by the HR Department for a 6 month period ending December 31, 2008. We noted during our review that all employee status changes are manually input into the system and proper controls are not always in place to identify human error that may be caused by this manually intensive process. Currently, the employee status change data input is not consistently reviewed by a second party for accuracy. For example, we noted that a salary slot base is the only thing that is documented in the file as approved by the Position Control Staffing Specialist. The actual salary slot number is then determined by a Personnel Records Technician who manually inputs the slot into the system. However, the slot that is entered is not reviewed by a second party for accuracy as compared to the source documents. The input of salary supplements are treated in the same manner. Without the proper review, the District's employee master file could inadvertently contain errors which may not always be detected within a timely manner or at all.	**Moderate**

Executive Summary - continued

Issues	Risk Rating
4. Termination Checklist and User Access - We noted during our review that there is not a standard mechanism in place to ensure that each school and department has performed all of the necessary security precautionary steps prior to and after an employee who has been terminated or has resigned leaves the place of employment. This may cause steps that require immediate attention to be completed untimely or not at all. Additionally, during our testing, 1 of 10 retiree's access had not been removed after retirement. We noted that although the employee had retired as of March 2008, the account had been active from March - July 1, 2008. We did, however, note that the account had not been deleted as of December 2008 but was disabled as of July 1, 2008. User accounts are typically disabled at the beginning of the school year until the employee electronically agrees to the terms. Once agreed, the account will automatically be enabled. Access of District systems to terminated employees (resigned/retired) may compromise the District's security during the period that access is available if the terminated employee is one that is disgruntled. In addition, it improperly exposes District data to individuals that are no longer District employees.	**Moderate**
5. Orientation Checklist - We noted that a Checklist for Orientation should be completed for every new hire and is a method used to determine whether all required actions have been completed prior to issuing a badge to a new hire. Section 5.5 of the District's Standard Operating Procedures states the following, *"A Checklist for Orientation is used as a means of control to ensure an individual has cleared both the drug testing and the background check before being cleared for access to a facility. Both the Drug Testing and Fingerprinting requirements have to be initialed and signed off on the individual's checklist before that individual is issued an ID Badge which controls access to a facility. As part of this process, both the HR Fingerprinting Specialist and the Employee Benefits & Risk Management Specialists send emails confirming that the individual has successfully (or unsuccessfully) cleared drug testing and the background check. The checklist used for the hiring of Substitute employees varies somewhat from the checklist used for the hiring of Contractual employees because of differences in TERMS processing and the need for experience verification, however, Access Verification procedures are identical."* Although, as stated above, the checklist is primarily used as a control to verify Fingerprinting and Drug Testing, we noted that 8 of 25 new hires tested had checklists that were partially completed. Thus, this control was not being fully utilized for all of the other sections including, Application, References, Agenda, Position and Slot number, etc.	**Low**

Background

Background

What is Employee Set Up?

Employee Set Up is the initial set up and maintenance of employee data in the District's system of record (the Employee Master File). Currently, the employee set up process is primarily managed and performed by the Human Resources ("HR") Department who receives the employee data from the schools and departments. The HR Department is responsible for the following:
- Establishment of salary data and entering of data records for new employees
- Maintenance and retention of personnel data records during the employee's employment term
- Validating and entering employee status changes including promotions, transfers, retirements, leave of absences and terminations

Currently, each individual school and department is responsible for the timely notification of new hire, status change and/or terminations for each employee to the District's HR Department. It is critical that the employee master file data is accurate and remains pertinent as various processes, such as payroll and user access, are dependent on the information that is entered for each employee. Adequate internal control over the employee set up process ensures the following:
- Additions to the employee master file represent valid employees
- All new employees are timely added to the employee master file
- All terminated employees are timely removed from the employee master file
- All inactivations from the employee master file represent valid terminations/resignations/retirements
- Only valid and accurate changes are made to the employee master file

There are at least 27 schools and 4 departments operating independently throughout the District. Consequently, the HR Department is dependent on the prompt and complete submission of all the proper paperwork required to properly maintain approximately 2,900 employees, including Substitutes, After School and Adult Education employees at the District throughout the year.

Human Resource Department Responsibilities

The Human Resource Department is also responsible for the following employee related areas:
- Direct collective bargaining process.
- Oversee development of school calendars.
- Oversee unemployment compensation process.
- Oversee Worker's Compensation Program.
- Oversee employee evaluation process.
- Oversee employee contract process.
- Oversee position control system.
- Coordinate and manage the District's staffing plan.
- Oversee recruitment, application, selection, employment, and retention process and programs.
- Oversee enrollment retirement process and enrollment in the Florida Retirement System.
- Oversee administration of employee benefits programs.
- Conduct or oversee employee investigations.
- Coordinate development of District compensation plans.
- Oversee teacher certification programs.
- Oversee District Safety Program.
- Oversee background checks and drug screening.
- Perform District Equity Coordinator function.

Background- continued

Human Resources Staff

Human Resources Department

- Assistant Superintendent of HR
- Executive Assistant
- Executive Director of HR
- Director of Risk Management
- Certification Analyst
- Fingerprint Specialist
- Staffing & Security Specialist*
- Position Control & Personnel
- 2 Personnel Records Specialists
- 2 Personnel Records Technicians
- 2 Benefits and Risk Management Spec
- Safety Technician
- Employee Benefit Accountant/Auditor

* This position has been submitted as 'frozen' due to budget cuts.

Administrator Evaluation Process

At the request of the Superintendent, the creation and implementation of an updated evaluation process is in the goals of the Assistant Superintendent of HR. The first priority was to focus on School Administrators and then Administrators. A focus group was put together which included different Principals, District representatives and an outside consultant. The team created the 'Professional Administrative Leadership Measurement' commonly known as PALM which was recommended for approval by the Superintendent to the Board and effective for fiscal 2008-2009 school year. The PALM has been included as an attachment of this report. School Administrators were trained on the PALM during last year's evaluation process and through other trainings. The Guiding Principals included in the PALM, which ensures uniform practices across the district and equal employment opportunity, are as follows:

1. Administrators are accountable for their performance.
2. Administrators' performance is assessed in relation to the performance of students assigned to their school(s).
3. Administrator performance contributes to high performing schools and student achievement.
4. Administrators engage in professional development for continuous improvement.
5. Administrators are accountable for moving the district closer to the vision of becoming a learning organization.
6. Administrators participate in collegial conversations regarding their performance.
7. Information on administrator performance is derived from a variety of data sources.
8. Staff and community members have opportunities to offer their perspective on the performance of respective administrators.
9. Administrators are not discriminated against based on sex, race, ethnic origin, religion, disability or age.
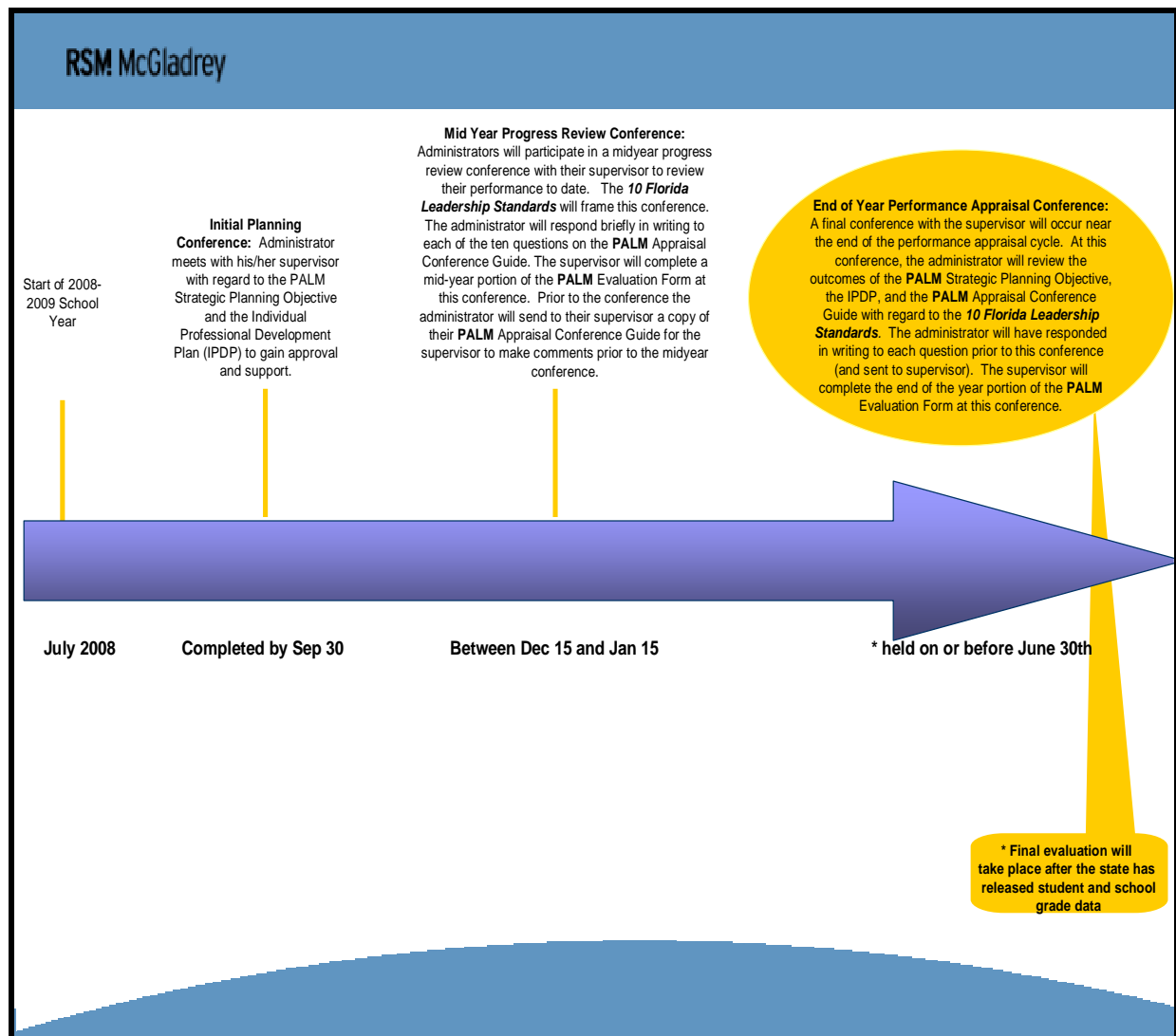
Background- continued

Administrator Evaluation Process - continued

The PALM provides a comprehensive evaluation process in which administrators receive a rating of Highly Effective, Effective or Ineffective all of which are defined in the guidelines. The performance of the administrator is appraised according to several performance criteria including Student Performance results, School Improvement Plan results, the PALM Strategic Planning Objective, the Florida Leadership Standards and Statutory Requirements.

The Superintendent completes the evaluations for each Principal which are due to HR by June 30th. In addition to the end of year performance appraisal the Superintendent has 2 other conferences with each administrator throughout the year: the Initial Planning Conference to be completed by September 30th and the Mid-Year Progress Review Conference held between December 15th and January 15th.

All other Administrators are currently covered by the 'old' process and the task of updating that process is in the process of being conducted with the goal of implementation for the fiscal 2009-2010 school year. We have included below a high level overview of the PALM.

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Mid Year Progress Review Conference: Administrators will participate in a midyear progress review conference with their supervisor to review their performance to date. The *10 Florida Leadership Standards* will frame this conference. The administrator will respond briefly in writing to each of the ten questions on the **PALM** Appraisal Conference Guide. The supervisor will complete a mid-year portion of the **PALM** Evaluation Form at this conference. Prior to the conference the administrator will send to their supervisor a copy of their **PALM** Appraisal Conference Guide for the supervisor to make comments prior to the midyear conference.

Initial Planning Conference: Administrator meets with his/her supervisor with regard to the PALM Strategic Planning Objective and the Individual Professional Development Plan (IPDP) to gain approval and support.

End of Year Performance Appraisal Conference: A final conference with the supervisor will occur near the end of the performance appraisal cycle. At this conference, the administrator will review the outcomes of the **PALM** Strategic Planning Objective, the IPDP, and the **PALM** Appraisal Conference Guide with regard to the *10 Florida Leadership Standards*. The administrator will have responded in writing to each question prior to this conference (and sent to supervisor). The supervisor will complete the end of the year portion of the **PALM** Evaluation Form at this conference.

Start of 2008-2009 School Year

July 2008   **Completed by Sep 30**   **Between Dec 15 and Jan 15**   *** held on or before June 30th**

* Final evaluation will take place after the state has released student and school grade data

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Background- continued

Teacher Evaluation Process

The teacher assessment and discipline process is outlined in detail in the Collective Bargaining Agreement between the District and the Indian River County Education Association. Evaluations are based on observations made by the principal or assigned observing administrator and include all duties and responsibilities as outlined in the agreement. The table below is an excerpt from that agreement and provides an overview of the process.

Status	Evaluation	Timeline	Action
1. Probationary	1st Evaluation	Within ninety-seven (97) days (FS1012.33)	✓ Released without cause or resign without breach of contract
2. Annual	1st Evaluation	By Dec. 15	✓ 1st observation ✓ 1st conference
3. PSC/CC	2nd Evaluation	Mar. 31	✓ 2nd observation ✓ 2nd conference ✓ Recommendation for reappointment <u>or</u> written recommendation for non-reappointment
	1st Formative Evaluation	By Sept. 30	✓ Planning conference ✓ One optional indicator discussed ✓ 1st observation
	2nd Formative Evaluation	Oct. 1 – Jan. 31	✓ 2nd observation ✓ Formative conference ✓ Scores not totaled/information shared ✓ Written report of deficiencies by evaluating administrator must be reported to MBU ✓ MBU shall have 90 working days from date of conference to improve performance in areas cited
		Oct. 31	✓ One optional indicator chosen by teacher & replaced performance category as agreed upon by MBU & evaluating administrator recorded in writing
	Changes in contract status	Dec. 15 (PSC&CC)	✓ Written notification to teacher at a scheduled meeting
	Summative	Jan. 16 - Mar. 31	✓ 3rd observation ✓ Final conference ✓ Final scores discussed and recorded

Source: the Collective Bargaining Agreement between the District and the Indian River County Education Association 2006-2009 addendum

Background- continued

Complaints Relating to Employees

Chapter two of the School Board policy outlines the process of dealing with complaints relating to employees. The following is an excerpt of the policy:

A. Any complaint in which the complaining party wants a personnel or corrective action to be taken against an employee of the School Board shall be referred to the Superintendent and shall be investigated by him.

B. Any such complaint against an employee shall be *in writing* and shall bear the signature of the person making the complaint. The written complaint shall specifically state the basis of the charge against the employee. The complainant shall identify why he/she believes that the employee has acted in a manner that is in violation of any law, policy, or otherwise is wrongful conduct by an employee. The Superintendent shall have the right to require the complainant to provide additional information, if the Superintendent is unable to understand the nature or sufficiency of the complaint.

C. Unless there is a specific exemption, the compliant will become a public record after the investigation is completed.'

D. The Superintendent may delegate to other members of his or her staff any portion of the work related to analyzing and investigating any complaint filed pursuant to this policy.

E. An employee who is the subject of a complaint filed pursuant to this policy shall have the following rights:

1. Those rights set out in the collective bargaining agreement if the employee is a member of the bargaining unit subject to the collective bargaining agreement; and,
2. The rights of due process afforded by Florida law, including the policies of the School Board of Indian River County.

F. The Superintendent shall determine whether or not there is probable cause to conclude that a violation of law or policy has occurred.

G. If the Superintendent concludes that there is "no probable cause" that a violation of policy or law occurred, the superintendent shall so inform the employee and complainant in writing, and the exoneration I the form of a no probable cause finding shall be reduced to writing and included in the personnel file of the employee.

H. If the Superintendent determines that an employee of the District made a false claim against another employee and that the falsity of the claim was or should have been known to the employee making the complaint, the Superintendent may take such job action against the employee who made the false charge as determined in the discretion of the Superintendent.

Follow-up Procedures and Observation

As noted in the executive summary, we will be testing the evaluation and grievance processes during the follow-up to this report. Through our preliminary review, we tested the transparency of the policy outlined above to the community through the website and District office. We noted that it is not easily identifiable for a parent or student to know their rights and the process to file a grievance against District employees. On the website, a person must know to select school board then board policies and then know that the policy is in chapter 2, General Administration. The District provides a parent/student link on their website, which would be ideal for a section on "Complaints Relating to Employees" as it provides descriptions of links that are available to parents and students.

Objectives and Approach

Objectives and Approach

Objectives
Objectives of the internal audit review of Employee Set Up included the following:

- Identify and assess the effectiveness of the controls over the set up of new employees, maintenance of employee records and the data regarding terminated employees.
- Validate that controls over the employee set up process include procedures and documents that assure the data entered into the employee master file is accurate, valid and is entered timely.
- Validate that new employees met the background screening criteria as required per District Procedures.
- Identify best practices and process efficiencies for the employee set up process.
- Determine proper personnel records and documentation are maintained.

Approach
Our audit approach consisted of three phases:

Understanding and Documentation of the Process
During the first phase of our approach, we met with the Assistant Superintendent of HR, the Executive Director of HR, the Staffing & Security Specialist and the Position Control & Personnel Specialist to discuss the scope and objectives of the Employee Set Up process and obtain preliminary data. In order to obtain an understanding of the process and identify related controls, we conducted a facilitated session, obtained detailed documentation and documented the process. We also inquired of the Information Services department to gain additional insight regarding the relationship between user access and the Employee Set Up process.

At the request of the Audit Committee, we have expanded our scope to include documentation of the evaluation process for Administrators and for Teachers as mandated through the Collective Bargaining Agreement between the District and the Indian River County Education Association. Our follow-up procedures for this review will include detailed testing around the newly implemented Administrator evaluation process effective for the school year 2008/2009, the teacher's process as well as the Chapter two of the School Board policy which outlines the process of dealing with complaints relating to employees.

Detailed Testing
The purpose of this phase was the development of applicable tests of compliance and controls. Our fieldwork was conducted at the District's HR Department. We utilized sampling and other auditing techniques as follows to meet our audit objectives outlined above and performed the following:

- On-site visit and inquiry of HR personnel to obtain detailed documentation of the process.
- Testing of proper approval and documentation for the following employee set up processes:
  - New Hires
  - Resignations
  - Terminations
  - Retirements
  - Leaves of Absence
  - Summer Teacher Additions
  - Transfers
  - Reappointments
- Testing of proper establishment of salary data
- Testing of timely and accurate input of employee data
- Testing of tracking methods, practices and procedures
- Review of forms utilized
- Review of proper user access to the employee master file

Reporting
At the conclusion of our audit, we summarized our findings related to Employee Set Up. We conducted an exit conference with the Assistant Superintendent of HR, the Executive Director of HR, the Staffing & Security Specialist and the Position Control & Personnel Specialist. We have incorporated management's response into our report.

Observations and Recommendations

OBSERVATIONS AND RECOMMENDATIONS

Rating	Issues	Recommendation	Management Response
High	**1. *Employee Background Screening***		
	Per the 2005 Jessica Lunsford Act, the District has the following responsibility:	Per our review we noted the District's current procedures are adequate and they should continue to focus on the importance of the process with all those involved. We recommend during our follow-up procedures in six month to select an additional sample of 50 employees for detailed testing.	We concur with the auditor's recommendation that continued emphasis must be placed on ensuring all new hires have cleared both the drug testing and the background check prior to being issued a badge and granted access to a facility. The Assistant Superintendent for Human Resources will re-emphasize this requirement on a recurring basis at internal HR staff meetings and by internal HR Memo.
	"School districts must conduct the fingerprinting/ background screening of noninstructional or contractual personnel at a location designated by the district using the code (ORI - Originating Agency Identifier) issued to the district by the Florida Department of Law Enforcement (FDLE), and determine whether the individual has been convicted of a crime of moral turpitude."		
	As a result, the District's "Standard Operating Procedures for New Employees" state the following in relation to employee background screening,		**Owner:** Assistant Superintendent for HR / Staffing and Security Specialist
	"The offer is contingent upon a background check and drug screening" and "A Checklist for Orientation is used as a means of control to ensure an individual has cleared both the drug testing and the background check before being cleared for access to a facility. Both the Drug Testing and Fingerprinting requirements have to be initialed and signed off on the individual's checklist <u>before that individual is issued an ID Badge which controls access to a facility</u>."		**ECD:** Effective immediately.
	We noted that 1 of 50 new hires tested had not undergone a background check prior to being hired and thus, the results were not completed or reviewed for clearance prior to this employee's start date. Thus, there is a risk of starting an employee with a possible criminal background. In this instance, we noted that the Fingerprinting section on the Orientation Checklist was initialed and signed off although the Fingerprinting had not been performed.		

OBSERVATIONS AND RECOMMENDATIONS

Rating	Issues	Recommendation	Management Response
Moderate	**2. *Segregation of Duties and User Access***		
	Appropriate segregation of duties should include separating authorizing, recording, and reconciling functions. These duties are typically owned by different departments. We reviewed the segregation of duties and user access for various payroll functions and noted the following gaps: • There were 13 user names with update/edit access to HR profiles. Through investigation we noted those user names included 'cross-point support vendors', terminated employees and active users with multiple IDs. • As previously noted in our Internal Audit of Payroll dated September 4, 2008, the Executive Director of Finance has edit access to all functions and modules within CrossPointe, including all HR profiles. (e.g. Position control, salary schedules, etc.) In addition, we noted that the Chief Information Officer also has edit access to all functions and modules within CrossPointe. • We noted that the Payroll Manager has update/edit access to HR specific menus related to the maintenance of Personnel Records. Access between employee set up and payments to employees should be properly segregated between Payroll and HR Departments. • We noted that an Assistant to a Principal has update/edit access to various HR and Payroll modules, specifically to Personnel/Payroll records, job titles, pay types and salary schedules. • Several Information Security employees have edit access to edit the employee master file. This access should be limited to a select few.	During our testing, we did not notice any instances of inappropriate use of access; however, we recommend the following: • District continue its current review of user access within the HR Department in order to implement proper segregation of duties. • Appropriately establish corresponding user access restrictions and embed it within the financial software package District-wide to provide access for specific authorized areas only. Appropriate segregation and user access should be reviewed and monitored regularly, especially when there are job / function changes. Specifically: • Access to modify personnel records should be limited to the HR Department. • Access to process payroll should be limited to the Payroll Department. • Access within departments should be limited according to roles and job duties. • All other access to the Payroll and Human Resources Module should be limited to specific authorized functions or view capabilities only.	We concur with the auditor's recommendations for scrutinizing and updating user access profiles and for the development of an exception report. Based upon a parallel finding contained in the Internal Audit Report of the Payroll Process, HR had already obtained a listing from IS of employees who had edit/update access to various HR and Payroll modules. We subsequently reviewed the listing, identified names to be deleted or reviewed for appropriate access profiles, and submitted a Memo to IS in mid-December with our recommendations. HR further recommended that IS undertake an internal review to determine who should retain access within IS. In response to a query as to the status of these actions, we were advised on February 25,, 2009 that the deletions had been made and the internal IS review had been completed. A meeting will be scheduled among IS, HR, and Payroll representatives to work out the remaining details as to shared access requirements between the Position Control Specialist and the Payroll Manager. In order to regularly monitor TERMS access to the HR files, we will periodically obtain user access listings from IS and review them to ensure that only appropriate personnel have edit/update access.

OBSERVATIONS AND RECOMMENDATIONS

Rating	Issues	Recommendation	Management Response
Moderate	2. *Segregation of Duties and User Access - continued*		
	Without proper segregation of duties surrounding the employee master file maintenance, errors, misappropriation of employee data or other types of irregularities could occur without being detected in a timely manner, if at all. We did note that the District has begun to review its user access list within the HR Department during the time of our testing.	We understand there are limitations within the Payroll / Human Resources Modules within CrossPointe Terms that hinder the ability to segregate access functions within user profiles in the system. Thus, exception reports should be created, reviewed, and monitored on a continuous basis, to ensure that only valid changes have been made to employee files and that only appropriate personnel are making changes to employee files. At a minimum, these exception reports should contain changes to the following attributes by employee: salary slot change, position number change, service dates change, etc. The exception reports should also detail the user who made the change to the employee master file. The creation, review, and monitoring of these exception reports would require collaboration between the Information Services, Payroll, and HR Departments.	The audit report recommends that exception reports be created and monitored on a continuing basis to ensure that only valid changes have been made to employee files and that only appropriate personnel are making changes. A work order request for an Exception Report which encompasses the detail recommended in the Audit Report was submitted to IS on November 7, 2008. **Owner:** HR Systems Analyst / Position Control Specialist **ECD:** April 30 2009

OBSERVATIONS AND RECOMMENDATIONS

Rating	Issues	Recommendation	Management Response
Moderate	**3. *Second Party Review of Employee Status Change Input***		
	There were approximately 344 status changes manually processed by the HR Department for a 6 month period as depicted in the table below:	A consistent review process will reduce the risk of inaccurate data input. We recommend that the District adopt a consistent review process to be implemented for all employee change types that includes the review of the data input against the source employee status change documentation by a second party.	We concur with establishing an internal procedure for conducting a second party review of employee status changes input to TERMS for those actions that affect pay or other significant processes such as benefits entitlement or retirement calculations. Multiple controls and review levels are currently in-place to ensure that appropriate data is provided on a source document to the Personnel Records Specialists and Technicians for input to the HR/Payroll System. The procedure(s) to be implemented are intended to verify that changes manually input to the system to change or establish an employee's record are an exact match to the information on the source document(s). As noted by the auditor in the Issues section, making these changes to employee files is a manually intensive process. We would further note that it is also a very workload intensive process and implementation of a Second Party Review will significantly add to that workload at a time when a reduction in HR staffing is projected due to the current budget crisis. It is also noteworthy that while audit findings identify the potential for human error, there were no actual salary, benefit, or retirement calculation errors documented during the audit review. Personnel Specialists and Technicians are very much aware of the importance of accuracy and diligently self-check screen prints from data inputs against source documents.

Table within Issues column:

Employee Status Change	Approximate No. as of December 2008
New Hires	125
Resignations/ Terminations	21
FY 2008 Retirements	27
Transfers	9
Leaves of Absences	25
Summer Teachers	137
Total status changes	**344**

Issues column (continued):

We noted during our review that all employee status changes are manually input into the system and proper controls are not in place to identify human error that may be caused by this manually intensive process. We noted that a salary slot base is the only item that is documented in the file as approved by the Position Control Staffing Specialist. The actual salary slot number is then determined by a Personnel Records Technician who manually inputs the slot into the system. However, the slot that is entered is not reviewed by a second party for accuracy as compared to the source documents. The input of salary supplements are treated in the same manner.

Without the proper review, the District's employee master file could inadvertently contain errors which may not always be detected within a timely manner or at all.

Recommendation column (continued):

School/ Department Procedures
Although we noted no exceptions in our testing, we recommend that procedures be created which provide guidance on when forms / documentation are due to the HR Department to enforce accountability for submissions from each school and department.   These procedures should be documented in a manual, implemented across the District and posted on the intranet for each school's and department's future reference throughout the year. This will assist in achieving timely submissions of forms containing employee data that affect various significant processes.

OBSERVATIONS AND RECOMMENDATIONS

Rating	Issues	Recommendation	Management Response
<mark>Moderate</mark>	3. *Second Party Review of Employee Status Change Input* - continued		
			Consequently, while a 100% comparative review is a worthy objective, we believe that a targeted or selective sampling of Employee Status Changes by a second party is an adequate and reasonable approach. We will develop and implement a Second Party Review procedure based upon an evaluation of positions and assigned responsibilities within the HR function. The Audit Report recommends schools and departments be provided with guidance on the documentation and due dates for submitting employee status changes to the HR Department. We will publish guidelines in the Supervisor's Handbook and post these guidelines on the District's internet website under the HR Department. **Owner:** Executive Director of HR / Position Control Specialist **ECD:** May 31, 2009

OBSERVATIONS AND RECOMMENDATIONS

Rating	Issues	Recommendation	Management Response
Moderate	**4. *Termination Checklist and User Access***		
	Termination Checklist We noted during our review that there is not a standard mechanism in place to ensure that each school and department has performed all of the necessary security precautionary steps prior to and after an employee who has been terminated or has resigned leaves the place of employment. This may cause steps that require immediate attention to be completed untimely or not at all. ***Termination of User Access*** We noted that there is an automated process currently in place that removes access from terminated employees, based on HR's termination date input in TERMS. Nightly there is an HR automated file of terminated employees that is created and sent to Information Services ("IS"). The automated program locates the user using the HR nightly automated files, disables access to the account and moves it into a "to be deleted" folder. IS reviews the folder daily to ensure that the user accounts were correctly placed into the "to be deleted" folder. If correct, IS will manually delete the user's account which will remove all access all programs in the District. Removal of access from terminated employees is critical in securing access to District systems and data. We noted during our testing that the 1 of 10 retiree's access had not been removed after retirement. We noted that although the employee had retired as of March 2008, the account had been active from March - July 1, 2008. We did, however, note that the account had not been deleted as of December 2008 but was disabled as of July 1, 2008. User accounts are typically disabled at the beginning of the school year until the employee electronically agrees to the terms. Once agreed, the account will automatically be enabled. Access of District systems to terminated employees (resigned/retired) may compromise the District's security during the period that access is available if the terminated employee is one that is disgruntled. In addition, it improperly exposes District data to individuals that are no longer District employees.	***Termination Checklist*** We recommend that the District create a comprehensive standard checklist that will be used by schools/departments for employees who are terminated, retire or resign that will complement the District's termination procedures. The checklist should be created in a collaborative effort with other departments to include but not limited to: • Change combinations to safes (if applicable) • Obtain badge • Obtain keys (if applicable) • Change locks in which the person had keys if unable to obtain keys • Remove the person from bank account access (if applicable) • Obtain all applicable District property in possession of the terminated employee • Disabling user access and removing the ID from the system ***Employees Terminated with Cause*** The termination checklist should include an area for those employees terminated with cause. We have included as an attachment an example response program outlining the immediate actions required to be taken for employee terminations due to possible fraud or illegal activities. We recommend that the HR and Information System Departments work together in order to implement this response program effectively. This will help ensure that prompt actions are taken in order to prevent employees terminated with cause to access District resources as these same users may potentially misuse or destroy District information.	We concur with the recommendation to create a comprehensive standard checklist that will be used by schools and departments for employees who are terminated, retire, or resign. Actions dealing with changing the combinations to safes (if applicable), obtaining badge, obtaining keys, changing locks (if necessary), removing the person from bank account access (if applicable), and obtaining all District property (if applicable) are facility or site related actions. We will provide the sites with a standard checklist addressing these items and require that the checklist be signed and dated upon completion of the required actions, and retained at the site. In addition to the checklist, we will work with our IS Department to ensure that stringent procedures are in place to disable user access upon termination. Initial coordination with the IS Department concerning the audit report findings resulted in the following research and corrective action by the IS.

OBSERVATIONS AND RECOMMENDATIONS

Rating	Issues	Recommendation	Management Response
Moderate	4. *Termination Checklist and User Access - continued*		
			Programmer/Analyst:
			Reference the audit issue whereby previously terminated employee's active directory accounts were not being terminated. The root cause was found by studying the job records of the examples given by the auditor. Of the valid examples, most were "back-dated" job terminations. This means that they had a job end-date prior to the update timestamp on the job record. However, at that time, the SIF program which is scheduled to run during nightly batch processing was <u>only</u> coded to check for jobs with end-dates matching the current batch run date. Back dated job terminations were being bypassed. They were not generating SIF delete events. As a result user accounts remained within the active directory when they should have been deleted. To resolve this issue, code was added to the SIF program to write a delete event for back dated job terminations occurring within a range of the current batch run date.
			Due to the need for immediate action to terminate access for an employee separated for just cause, we will develop a separate checklist for this specific event. The checklist will be initiated by the HR Department and the completed checklist will be retained in the employee's file. We will also work with the IS Department to review the example response program which is to be provided by the auditor as noted in their Recommendation's section.
			Owner: Executive Director of HR / HR Systems Analyst
			ECD: April 30, 2009

OBSERVATIONS AND RECOMMENDATIONS

Rating	Issues	Recommendation	Management Response
Low	**5. *Orientation Checklist***		
	We noted that a Checklist for Orientation is completed for every new hire and is a method used to determine whether all required actions have been completed prior to issuing a badge to a new hire. Section 5.5 of the District's Standard Operating Procedures states the following, *"A Checklist for Orientation is used as a means of control to ensure an individual has cleared both the drug testing and the background check before being cleared for access to a facility. Both the Drug Testing and Fingerprinting requirements have to be initialed and signed off on the individual's checklist before that individual is issued an ID Badge which controls access to a facility. As part of this process, both the HR Fingerprinting Specialist and the Employee Benefits & Risk Management Specialists send emails confirming that the individual has successfully (or unsuccessfully) cleared drug testing and the background check. The checklist used for the hiring of Substitute employees varies somewhat from the checklist used for the hiring of Contractual employees because of differences in TERMS processing and the need for experience verification, however, Access Verification procedures are identical."* Although, as stated above, the checklist is primarily used as a control to verify Fingerprinting and Drug Testing, we noted that 8 of 25 new hires tested had checklists that were partially completed. Thus, this control was not being fully utilized for all of the other sections including, Application, 3 References, Agenda, Position and Slot number, etc.	We recommend that the District fully utilize the Checklist for Orientation as a control to account for all documentation and procedures necessary for the set up of a new hire. The Checklist for Orientation should be completed in its entirety for every new hire. If certain items are not applicable to a specific new hire, the Checklist for Orientation should state that as such.	We concur with the need to update the Orientation Checklist to ensure that all items are appropriate to the new hire process, that items not applicable to specific new hires are properly labeled (for example, substitute requirements differ from the requirements of contractual employees, and requirements for certified employees differ from the requirements of non-certified employees), and that all applicable items are completed. In addition, we concur with adding a signature line / date to document completeness and establish personal accountability. **Owner:** Staffing and Security Specialist / Position Control Specialist **ECD:** April 30, 2009

Attachment

Professional

Administrative

Leadership

Measurement

(PALM)

PALM Guide Book
2008-2009
School District of Indian River County

Introduction

Indian River County School System is committed to continuous improvement of student achievement and in the success of each individual. As such, it is important to engage employees in collegial conversations with their supervisors and peers regarding their performance and development throughout their career.

This document defines the performance appraisal system know as PALM (Professional Leadership Administrative Measurement) adopted by the School Board of Indian River County. It includes the purposes and procedures and is intended for use by those responsible for evaluating the performance of all school based administrators (principals and assistant principals), hereafter referred to as "the administrator".

Description of PALM

Purposes

PALM accomplishes three (3) major purposes:
1. **PALM** stimulates performance among administrators to improve student achievement.
2. **PALM** aligns the performance of administrators to the district's vision, mission and beliefs which will result in the district's transformation to a learning organization.
3. **PALM** provides decision making information on assignment, training, remediation, promotion, recognition, compensation and rewards.

Guiding Principles

The following principles guide the implementation of PALM. These ensure uniform practices across the district and equal employment opportunity.

1. Administrators are accountable for their performance.
2. Administrators' performance is assessed in relation to the performance of students assigned to their school(s).
3. Administrator performance contributes to high performing schools and student achievement.
4. Administrators engage in professional development for continuous improvement.
5. Administrators are accountable for moving the district closer to the vision of becoming a learning organization.
6. Administrators participate in collegial conversations regarding their performance.
7. Information on administrator performance is derived from a variety of data sources.
8. Staff and community members have opportunities to offer their perspective on the performance of respective administrators.
9. Administrators are not discriminated against based on sex, race, ethnic origin, religion, disability or age.

PALM Performance Criteria

The performance of the administrator is appraised according to several performance criteria including Student Performance results, School Improvement Plan results, the PALM Strategic Planning Objective, the Florida Leadership Standards and Statutory Requirements.

Student Performance results are included as part of the appraisal ratings of administrators.

School Improvement Plan results must be an integral part of the overall evaluation process of administrators.

The PALM Strategic Planning Objective focuses on a significant need, issue or challenge related to a school district belief that becomes a high leverage activity for the year and results in moving the school or department closer to becoming a learning community.

The Florida Leadership Standards were adopted under the provisions of SBE Rule 6B-5.0012, and approved April 19, 2005. While these standards provide a framework for the appraisal of administrators, the work of a leader in a learning community is the driving force behind the appraisal. In addition, these standards are applicable to district level administrators.

Statutory Requirements must be addressed in the appraisal of administrator. These requirements include: evaluation of administrators as evaluators of others, continuous self improvement, school improvement, family perspective on administrator's performance and the Code of Ethics.

PALM Procedures

PALM procedures apply to all administrators employed by the district.

- All administrators participate in **PALM** training.

- Each administrator develops a **PALM** Strategic Planning Objective that is a "high impact" goal.

- Each administrator develops an Individual Professional Development Plan (IPDP) based on the needs of the school or district.

- Each administrator meets with his/her supervisor for the Initial Review. At this review, the administrator will review for approval, their **PALM** Strategic Planning Objective, their Individual Professional Development Plan and the School Improvement Plan goals and objectives.

- The Superintendent invites community and staff members to provide input on the performance of the administrator through a district Climate Survey.

- Administrators will meet a minimum of three times to include an initial planning meeting (review of Strategic Planning Objective, IPDP, and School Improvement Plan), a mid-year review and conclude with a final summative evaluation no later than June 30th or when the grade data is released from the DOE.

PALM Conferences, Procedures and Timelines

- **Initial Planning Conference (completed by Sept. 30th):** During this initial conference the administrator meets with his/her supervisor with regard to the **PALM** Strategic Planning Objective and the Individual Professional Development Plan (IPDP) to gain approval and support. The **PALM** Strategic Planning Objective is one that is high leverage and will drive the organization closer to becoming a learning community. The Individual Professional Development Plan guides the design and implementation of professional development activities that are focused on school/district improvement and student performance.

- **Mid-Year Progress Review Conference (held between December 15th and January 15th):** Administrators will participate in a midyear progress review conference with their supervisor to review their performance to date. The *10 Florida Leadership Standards* will frame this conference. The administrator will respond briefly in writing to each of the ten questions on the **PALM** Appraisal Conference Guide. The supervisor will complete a mid-year portion of the **PALM** Evaluation Form at this conference. Prior to the conference the administrator will send to their supervisor a copy of their **PALM** Appraisal Conference Guide for the supervisor to make comments prior to the midyear conference.

- **End of Year Performance Appraisal Conference (*held on or before June 30th):** A final conference with the supervisor will occur near the end of the performance appraisal cycle. At this conference, the administrator will review the outcomes of the **PALM** Strategic Planning Objective, the IPDP, and the **PALM** Appraisal Conference Guide with regard to the *10 Florida Leadership Standards*. The administrator will have responded in writing to each question prior to this conference (and sent to supervisor). The supervisor will complete the end of the year portion of the **PALM** Evaluation Form at this conference. *The final evaluation will take place after the state has released student and school grade data.*

The *10 Florida Leadership Standards <u>must</u>* be considered as part of the final rating.

The administrator and the supervisor will sign all documents discussed at each meeting. Administrators will receive a copy of all signed documents.

90 Day Review: (For Principals in the Preparing New Principals Program Only)
The 90 Day Review is mandatory for all first through third year principals. The focus of the 90 Day Review will be to share the status of work on the **PALM** Strategic Planning Objective and the IPDP with a group of peers and the supervising administrator. A protocol will be used to guide the conversations and to gain feedback and a perspective on the work completed.

OVERALL Performance Rating Scale Definitions

PALM Performance Rating Scale

Rating	Definition
Highly Effective	• Performance that consistently exceeds the Effective level.
Effective	• Performance at this level usually meets, but occasionally exceeds.
Ineffective	• Performance does not meet the requirements of the position.

NOTE: The administrator is expected to develop and implement strategies to improve performance to the level expected for any **Ineffective** area.

Performance Rating Decisions

Several guidelines assist administrators in rating performance with the **PALM** Performance Rating Scale.
   • *The rating scale as defined is used with all administrators.*
   • *An overall rating of performance is made on the **PALM** Evaluation Form at the end of the year conference.*

The factors defined in the following table guide the assignment of overall ratings.

Overall Criteria	Rating
Highly Effective	• No ratings of Ineffective • Indicators #1, #3 and #11 **must be** "Highly Effective" • At least 80% of the ratings must be "Highly Effective"
Effective	• No ineffective ratings
Ineffective	• One "Ineffective" ratings

Rating Decisions for Student Performance (#11)

Overall Criteria	Definition
Highly Effective	• Must maintain a school grade of B or better, OR • The School moves one or more School grades • May or may not meet AYP; however learning gains must be evident in all subgroups
Effective	• School grade of C • May or may not meet AYP; however learning gains must be evident in all subgroups.
Ineffective	• School grade of D or F • Does not meet AYP

Implications of an Ineffective Rating

If the performance of an administrator falls to an overall **"Ineffective"** level, steps will be taken to support the restoration of expected performance. Actions are initiated early in the annual performance period and/or soon after the performance deficiency is identified. Performance deficiencies may be detected at any point in the school year.

1. The supervisor advises the administrator, hereafter referred to as "the administrator" of specific performance areas which are **"Ineffective".**

2. A conference is conducted with the administrator within ten days of noted deficiency.
   - The administrator is advised of the deficiency in writing.
   - Incidents of deficient behavior are documented and shared with the administrator.
   - The supervisor advises the administrator that one or more of the following consequences may result if performance does not improve within a six-week period:

     - The supervisor may recommend that the administrator not be re-appointed to the current position.
     - The supervisor may recommend that the administrator be transferred to another position within the district.
     - The supervisor, Human Resource designee and administrator prepare a Performance Improvement Expectation plan to guide improvement efforts.

3. A peer or outside mentor may be assigned if warranted by supervisor.

4. If the procedure defined above was implemented and the administrator had at least six weeks to improve his/her performance and the performance remains ineffective then the supervisor assigns a rating of **"Ineffective"** on the **PALM** Evaluation Form.

5. The supervisor notifies the Assistant Superintendent for Human Resources anytime the administrator's performance is rated or determined to be overall **"Ineffective"**. In addition, the supervisor makes one or more of the recommendations listed above.

6. The Assistant Superintendent investigates the performance ratings, documentation, and professional development activities when an overall **"Ineffective"** rating is assigned.

7. In the event the performance of the administrator is overall **"Ineffective"** for two consecutive years, the Superintendent notifies the Florida Department of Education as required in Florida Statute.

Forms

The following forms will be used for **PALM**. A copy of each form is attached and can be found online.

- **PALM** Strategic Planning Objective
- **PALM** Individual Professional Development Plan
- **PALM** Appraisal Conference Guide
- **PALM** Evaluation Form
- State Principal Leadership Standards

7/25/08

PALM Strategic "High Impact" Planning Objective (#12)

Prior to the initial planning conference, the administrator will respond to the questions below, keeping the school improvement goals and objectives in mind and discuss them with his/her supervisor at the initial planning conference. The supervisor' signature on this form will indicate support and approval of the objective.

1. **Describe or explain one goal that you will work on this year that will definitely impact student achievement? (Tie to your IPDP)**
2. **Why will this make a difference?**
3. **What will you accomplish as a result of your work?**
4. **What evidence will you provide that indicates that you have achieved your goal?**

Initial Conference

_____   _____
Administrator's Signature   **Date**

_____   _____
Supervisor's Signature   **Date**

At the Mid-Year Review Conference

_____   _____
Administrator's Signature   **Date**

_____   _____
Supervisor's Signature   **Date**

At the End of Year Appraisal Conference this form and work should be revisited prior to the rating on this objective.

_____   _____
Administrator's Signature   **Date**

_____   _____
Supervisor's Signature   **Date**

PALM Appraisal Conference Guide 2008- 2009

Under each of the 10 Florida Leadership Standards briefly answer the question as it relates to each standard.

1.   *INSTRUCTIONAL LEADERSHIP*
    (Instructional Leadership)
As a leader, what have you done to promote a positive learning culture that provides for effective instruction and the creation of engaging work for students?

Reflections by Administrator:
Supervisor Comment:

2.   *MANAGING THE LEARNING*
    ENVIRONMENT   *(Instructional Leadership)*
As a leader, how have you managed the organization, operations, facilities and resources to promote an effective learning environment?

Reflections by Administrator:
Supervisor's Comment:

3.   *LEARNING, ACCOUNTABILITY, AND*
    ASSESSMENT   *(Instructional Leadership)*
As a leader, how have you monitored the success of students, aligned instruction and ensured accountability for all participants engaged in the educational process?

Reflections by Administrator:
Supervisor's Comment:

4.   *DECISION MAKING*
    STRATEGIES   *(Operational Leadership)*
As a leader, how have you made decisions and problem solved for continuous improvement?

Reflections by Administrator:
Supervisor's Comment:

5.   *TECHNOLOGY*
    (Operational Leadership)
As a leader, how have you planned and implemented the integration of technological and electronic tools in teaching/learning, management, research, and communication?

Reflections by Administrator:
Supervisor's Comment:

6.   *HUMAN RESOURCE DEVELOPMENT*
(Operational Leadership)
As a leader, how have you recruited, selected, nurtured and retained effective personnel whose vision is aligned with the district?

Reflections by Administrator:
Supervisor's Comment:

7.   *ETHICAL LEADERSHIP*
(Operational Leadership)
As a leader, how have you acted with integrity, fairness and honesty?

Reflections by Administrator:
Supervisor's Comment:

8.   *VISION*
(School Leadership)
As a leader, how have you articulated the school's/district's vision so that faculty and staff will internalize and act upon it in their everyday work?

Reflections by Administrator:
Supervisor's Comment:

9.   *COMMUNITY AND STAKEHOLDER*
PARTNERSHIPS   (School Leadership)
As a leader, how have you collaborated with families, business, community members, and diverse community interests to mobilize resources for your school/department?

Reflections by Administrator:
Supervisor's Comment:

10.   *DIVERSITY*
(School Leadership)
As a leader, how have you responded to the diversity of your school and the School District of Indian River County?

Reflections by Administrator:
Supervisor's Comment:

Mid-Year Review:		
Administrator's Initials	**Supervisor's Initials**	**Date**

Final Review:	
Administrator's Signature	**Date**
Supervisor's Signature	**Date**

School District of Indian River County
Professional Administrative Leadership Measurement (**PALM**)

PALM: Individual Professional Development Plan (#13)

All school based administrators will complete this form each school year describing professional development intentions. This Plan ties back to your Strategic Planning Objective.

Name	Position	Location	School Year

Needs: What professional development needs do you intend to address during this school year that are related to school/district improvement and improvement of student achievement?

How are these related to school/district improvement and improvement of student achievement?

Proposed Activities: What professional development will support the needs described above?

Expected Results: What results are expected from attending the proposed professional development?

Actual Results (to be completed at the end of the year) Describe the progress toward improvement in your school/department as a result of your professional development this year. Give specific examples of how your professional development has been tied to the progress of your school or department.

History of Individual Professional Development Plan Attach Documentation of Professional Development					
Initial Planning Conference		**Mid Year Progress Review Conference** (For those who have less than 2 years in their current position)		**End of Year Evaluation Conference**	
Signature	Date	Signature	Date	Signature	Date
Administrator		Administrator		Administrator	
Supervisor		Supervisor		Supervisor	

School District of Indian River County
Professional Administrative Leadership Measurement (**PALM**)

PALM Evaluation Form

IL= Instructional Leadership   OL = Operational Leadership   SL = School Leadership

Name:	Position:	Worksite:		School Year:	
		Mid Year Progress Review		End of Year Appraisal	
Performance Indicators:		HE	E	I	HE	E	I
1 Instructional Leadership *(IL)*							
2 Managing the Learning Environment *(IL)*							
3 Learning, Accountability and Assessment *(IL)*							
4 Decision Making *(OL)*							
5 Technology *(OL)*							
6 Human Resource Development *(OL)*							
7 Ethical Leadership *(OL)*							
8 Vision *(SL)*							
9 Community and Stakeholder Partnerships *(SL)*							
10 Diversity *(SL)*							
11 Student Performance							
12 Strategic Planning Objective							
13 Individual Professional Development Plan							

	MID	END
Community and staff input were acknowledged in the completion of this appraisal.		
Responses to the **PALM** Appraisal Conference Guide as well as other data were considered in the completion of this appraisal.		

Rating Scale Legend:	*HE = Highly Effective*	*E = Effective*	*I = Ineffective*		
***Overall Rating** – Use only with the end of the year appraisal.*			HE	E	I

Mid Year Progress Review		Date	**End of Year Appraisal**		Date
Appraiser			Appraiser		
Appraiser			Appraiser		
IPDP/Written Comments Attached			IPDP/Written Comments Attached		

Original to Human Resources
Copy to Employee and School

School District of Indian River County
Professional Administrative Leadership Measurement (**PALM**)

_____ 		**Recommended for reappointment for the _____school year**

_____ 		**Not recommended for reappointment for the _____ school year**

_____ 		_____
 		Administrator Signature 				**Supervisor Signature**

Comments: 	_____
_____
_____
_____
_____
_____

First Responders Procedure for
Computer Incident Response to Possible Fraud or Illegal Activities

Since electronic media are easily altered, special care must be taken to protect the evidence from changes, either deliberate or inadvertent-merely starting a computer running a Windows® system changes more than 250 files. It is imperative that the forensic investigator be able to demonstrate to the court that the electronic evidence was not altered in its acquisition and has not been altered since that time. Before touching possible electronic evidence, the first responder should take steps to ensure the safety of all persons at the scene and to protect the integrity of all evidence, both traditional and electronic.

Planning

1. Policy for all Computer Incident Response to Possible Fraud or Illegal activities should be documented and in compliance with District policy and Federal, State, and local laws.
2. Procedures:
   a. Ensure you have the following items in your First Responder's kit and personnel available:
      i. Camera, extra batteries, and flash memory
      ii. Sketch pad and pencil
      iii. Note pad and pen
      iv. Sharpie (Black)
      v. Gallon, quart, and pint zip lock bags for non ESD sensitive items (cables, cords, etc)
      vi. ESD bags (Large, Medium, and Small)
      vii. Cable locks to lock CPU cabinet with lead seals and sealing pliers
      viii. Paper Tape integrity seals
      ix. Blank Computer Evidence, Hard Drive, and Removable Media worksheets.
      x. Qualified technician with forensic tools to extract volatile data from running PCs and/or laptops.
   b. Secure the scene and all persons on the scene
   c. Visually identify potential evidence, both conventional (physical) and electronic, and determine if perishable evidence exists.
   d. The first responder should evaluate the scene and formulate a search plan.
   e. Secure and evaluate the scene:
      i. Securing the scene.
         1. Include ensuring that all persons are removed from the immediate area from which evidence is to be collected.
         2. At this point in the investigation do not alter the condition of any electronic devices: If it is off, leave it off. If it is on, leave it on.
         3. Protect perishable data physically and electronically.
            a. Perishable data may be found on pagers, caller ID boxes, electronic organizers, cell phones, and other similar devices.
            b. The first responder should always keep in mind that any device containing perishable data should be immediately secured, documented, and/or photographed.

4. Identify telephone lines attached to devices such as modems and caller ID boxes. Document and label each telephone line from the wall rather than the device, when possible.
5. There may also be other communications lines present for LAN/Ethernet connections. Document and label each telephone line from the wall rather than the device, when possible.
6. Keyboards, the computer mouse, diskettes, CDs, or other components may have latent fingerprints or other physical evidence that should be preserved. Chemicals used in processing latent prints can damage equipment and data. Therefore, latent prints should be collected after electronic evidence recovery is complete.

f. Conduct preliminary interviews:
   i. Separate and identify all persons (witnesses, subjects, or others) at the scene and record their location at time of entry.
   ii. Consistent with departmental policy and applicable law, obtain from these individuals information such as:
      1. Owners and/or users of electronic devices found at the scene, as well as passwords (see below), user names, and Internet service provider.
      2. Passwords. Any passwords required to access the system, software, or data. (An individual may have multiple passwords, e.g., BIOS, system login, network or ISP, application files, encryption pass phrase, e-mail, access token, scheduler, or contact list.)
      3. Purpose of the system.
      4. Any unique security schemes or destructive devices.
      5. Any offsite data storage.
      6. Any documentation explaining the hardware or software installed on the system.

g. Initial documentation of the physical scene:
   i. Observe and document the physical scene, such as the position of the mouse and the location of components relative to each other (e.g., a mouse on the left side of the computer may indicate a left-handed user).
   ii. Document the condition and location of the computer system, including power status of the computer (on, off, or in sleep mode). Most computers have status lights that indicate the computer is on. Likewise, if fan noise is heard, the system is probably on. Furthermore, if the computer system is warm, that may also indicate that it is on or was recently turned off.
   iii. Identify and document related electronic components that will not be collected.
   iv. Photograph the entire scene to create a visual record as noted by the first responder. The complete room should be recorded with 360 degrees of coverage, when possible.
   v. Photograph the front, back, and sides of the computer as well as the monitor screen and other components. Also take written notes on what appears on the monitor screen. Active programs may require videotaping or more extensive documentation of monitor screen activity.
   vi. Note: Movement of a computer system while the system is running may cause changes to system data. Therefore, the system should not be moved until it has been safely powered down.
   vii. Additional documentation of the system will be performed during the collection phase.

General Information / Specific Information

	Sex Crimes		Crimes Against Persons			Fraud/Other Financial Crime								
	Child Exploitation/Abuse	Prostitution	Death Investigation	Domestic Violence	E-Mail Threats/Harassment/Stalking	Auction Fraud	Computer Intrusion	Economic Fraud	Extortion	Gambling	Identity Theft	Narcotics	Software Piracy	Telecommunications Fraud
General Information:														
Databases		✔			✔		✔		✔		✔			
E-Mail/notes/letters	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔		✔
Financial/asset records		✔	✔	✔	✔	✔		✔		✔	✔			✔
Medical records		✔	✔	✔										
Telephone records			✔	✔	✔	✔								✔
Specific Information:														
Account data						✔								
Accounting/bookkeeping software						✔								
Address books		✔	✔	✔	✔	✔	✔	✔		✔	✔			
Backdrops											✔			
Biographies			✔											
Birth certificates											✔			
Calendar		✔				✔		✔		✔	✔			
Chat logs	✔					✔						✔		
Check, currency, and money order images								✔			✔			
Check cashing cards											✔			
Cloning software														✔
Configuration files							✔							
Counterfeit money											✔			
Credit card generators											✔			
Credit card numbers											✔			
Credit card reader/writer											✔			
Credit card skimmers							✔							
Customer database/records		✔								✔				✔
Customer information/credit card data						✔		✔	✔					
Date and time stamps	✔							✔						
Diaries			✔	✔	✔									
Digital cameras/software/images	✔					✔				✔				
Driver's license											✔			
Drug recipes												✔		
Electronic money										✔				
Electronic signatures											✔			

	Sex Crimes		Crimes Against Persons			Fraud/Other Financial Crime								
	Child Exploitation/Abuse	Prostitution	Death Investigation	Domestic Violence	E-Mail Threats/Harassment/Stalking	Auction Fraud	Computer Intrusion	Economic Fraud	Extortion	Gambling	Identity Theft	Narcotics	Software Piracy	Telecommunications Fraud
Specific Information (Cont):														
Erased Internet documents										✔				
ESN/MIN pair records														✔
Executable programs							✔							
False financial transaction forms								✔						
False identification		✔						✔				✔		
Fictitious court documents											✔			
Fictitious gift certificates											✔			
Fictitious loan documents											✔			
Fictitious sales receipts											✔			
Fictitious vehicle registrations											✔			
Games		✔												
Graphic editing and viewing software	✔													
History log										✔				
"How to phreak" manuals														✔
Images	✔		✔		✔	✔								
Images of signatures								✔						
Image files of software certificates													✔	
Image players									✔					
Internet activity logs	✔	✔	✔		✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
Internet browser history/cache files					✔									
IP address and user name							✔							
IRC chat logs							✔							
Legal documents and wills			✔	✔										
Movie files	✔													
Online financial institution access software						✔		✔	✔					
Online orders and trading information											✔			
Prescription form images												✔		
Records/documents of "testimonials"					✔									

	Sex Crimes		Crimes Against Persons			Fraud/Other Financial Crime								
	Child Exploitation/Abuse	Prostitution	Death Investigation	Domestic Violence	E-Mail Threats/Harassment/Stalking	Auction Fraud	Computer Intrusion	Economic Fraud	Extortion	Gambling	Identity Theft	Narcotics	Software Piracy	Telecommunications Fraud
Specific Information (Cont):														
Scanners/scanned signatures											✔			
Serial numbers												✔		
Social security cards											✔			
Software cracking information and utilities												✔		
Source code							✔							
Sports betting statistics										✔				
Stock transfer documents											✔			
System files and file slack											✔			
Temporary Internet files								✔						
User names							✔	✔						
User-created directory and file names that classify copyrighted software													✔	
User-created directory and file names that classify images	✔													
Vehicle insurance and transfer documentation											✔			
Victim background research					✔									
Web activity at forgery sites											✔			
Web page advertising		✔												