



NORTH CAROLINA COMMUNITY COLLEGE SYSTEM

Jennifer Haygood

Acting President

COMPLIANCE AUDIT

SECONDARY & DUAL EMPLOYMENT

JANUARY 10, 2018

INTRODUCTION

Background

The secondary and dual employment policy is in place for two (2) purposes; (1) to determine that the secondary employment does not have an adverse effect on the primary employment with the State; (2) to determine that the secondary employment does not create a conflict of interest with the primary employment. The North Carolina Community College System Secondary and Dual Employment Policy states, "An employee shall have approval through channels to the agency head before engaging in any secondary employment." Regarding dual employment, the policy notes, "State policy requires that an employee must secure approval from the administrative head of the Parent Agency in writing before performing services for pay for a Borrowing Agency."

Evidenced by the statements above, the policy requires multiple levels of approval prior to engaging in secondary and dual employment. To facilitate the approval of secondary and dual employment, the North Carolina Community College System Office has developed a certification document, NC Community College System Secondary/Dual Employment Form, requiring employees to seek approval through channels to the agency head before engaging in any secondary employment. According to Human Resources, the certification document is required to be completed by each System Office employee on an annual basis. The certification document lists three (3) options for employees to select; (1) not engaged in secondary/dual employment; (2) engaged in secondary employment; and (3) engaged in dual employment. The bottom of the document contains signature lines employee signature, followed by signature lines for the employee's supervisor, Vice President, Executive Vice President & Chief Operating Officer, and President.

Objective, Scope, and Methodology

The objective of this engagement was to review the secondary and dual employment forms for all employees in the System Office to determine the following; (1) ensure all employees submitted a signed certification document; (2) the certification document contained all required signatures; and (3) the certification document contained all required and appropriate approvals. Records were also reviewed to ensure there was a form on file for all active employees.

The scope of the engagement was a review of all active System Office employees as of January 1, 2018, and all certification forms submitted to Human Resources in 2017. Jane Phillips, Personnel Director, provided a complete list of active System Office employees. Upon receipt of the list, a review of all certification documents was scheduled. Fieldwork was conducted on January 8-9, 2018.

FINDINGS

The employee list, provided in spreadsheet form, contained a total of 194 active employees. The review of the certification documents and spreadsheet yielded the following:

- No forms on file for 11 employees.
- 10 forms unable to be verified due to signatures that were not legible, or the signatures did not match any employees listed on the spreadsheet.
- 26 forms indicated secondary or dual employment. Of these 26 forms, 16 contained the required signatures. Ten (10) contained supervisor signature. Two (2) forms contained only supervisor signatures. Eight (8) failed to contain signatures by the Executive Vice President & Chief Operating Officer and the President.

RECOMMENDATIONS

Due to the findings noted above, the following recommendations are submitted for consideration:

Recommendation 1

A line should be added for each employee to print his/her name. The additional line would enable employee information to be more easily identifiable upon review.

Recommendation 2

The North Carolina Community College System Secondary and Dual Employment Policy should be revised to include a deadline for the annual certification document submission. The inclusion of a deadline will assist Human Resources in enforcing the submission requirements.

Recommendation 3

A master list of employees should be maintained, noting submission and proper completion of the NC Community College System Secondary/Dual Employment Form. The master list will enable Human Resources to more quickly identify employees not in compliance with the certification document submission requirement.

Recommendation 4

The NC Community College System Secondary/Dual Employment Form should be updated to add a box allowing the employee to indicate he/she has read the policy before completing the remaining sections of the form. This additional requirement will assist employees in being aware of what constitutes secondary and dual employment.

Recommendation 5

Instructions should be added to the NC Community College System Secondary/Dual Employment Form directing the employee to add a description of the employment, if he or she indicates any secondary or dual employment. This will help management to determine if any conflicts of interest exist.



NORTH CAROLINA COMMUNITY COLLEGE SYSTEM

Jennifer Haygood

Acting President

March 5, 2018

MEMORANDUM

TO: Bryan Jenkins, Executive Director of Accountability and State Board Affairs

FROM: Jennifer Haygood, Acting President

RE: Compliance Audit – Secondary & Dual Employment Dated January 10, 2018

NC Community Colleges Human Resources Office appreciates the opportunity to respond to the Secondary/Dual Employment audit dated January 10, 2018. We also appreciate the diligence and the recommendations that the Auditor provided. The response to the audit findings are as follows:

Recommendation 1

A line should be added for each employee to print his/her name. The additional line would enable employee information to be more easily identifiable upon review.

Response 1

We agree with this recommendation. The North Carolina Community College System Secondary and Dual Employment form has been edited to add the additional line to allow each employee to print his/her name. We are also exploring the possibility of processing this form via DocuSign to better track the approval process.

Recommendation 2

The North Carolina Community College System Secondary and Dual Employment Policy should be revised to include a deadline for the annual certification document submission. The inclusion of a deadline will assist Human Resources in enforcing the submission requirements.

Response 2

Employees were given a 30-day deadline to read the policy via the Learning Management System (LMS) and complete the Secondary and Dual Employment Form. Future communications to employees will better clarify that the deadline applies to both reviewing the policy via the LMS and submitting the completed form. We agree to edit the policy to reflect a requirement for all employees to submit the completed form by June 30th of each

year and prior to engaging in any subsequent dual/secondary employment. The policy will also include specific instructions on the submission process to reflect all required signatures.

Recommendation 3

A master list of employees should be maintained, noting submission and proper completion of the NC Community College System Secondary/Dual Employment Form. The master list will enable Human Resources to more quickly identify employees not in compliance with the certification document submission requirement.

Response 3

A master list is maintained in the Learning Management System which reflects the employees who were assigned the policy review. Human Resources will follow-up with each employee not in compliance with the June 30th deadline, copying the division vice president.

Recommendation 4

The NC Community College System Secondary/Dual Employment Form should be updated to add a box allowing the employee to indicate he/she has read the policy before completing the remaining sections of the form. This additional requirement will assist employees in being aware of what constitutes secondary and dual employment.

Response 4

We agree with this recommendation and have revised the form to allow an employee to acknowledge that they have read the Secondary/Dual Employment policy.

Recommendation 5

Instructions should be added to the NC Community College System Secondary/Dual Employment Form directing the employee to add a description of the employment, if he or she indicates any secondary or dual employment. This will help management to determine if any conflicts of interest exist.

Response 5

Currently, the form instructs the employee to attach a "brief description of the duties in which he/she will be performing". The recommended action plan is revise the secondary/dual employment form to include a space for the employees to put in the description of duties directly on the form. We've also added a box to implicate if the employment is secondary or dual.

Attached is the revised NC Community Colleges Secondary/Dual Employment Form based on the Auditor recommendation.

**NC COMMUNITY COLLEGE SYSTEM
SECONDARY/DUAL EMPLOYMENT ACKNOWLEDGEMENT AND APPROVAL FORM**

Employee Name (please print): _____

I acknowledge that I have read the Secondary/Dual Employment policy.

Check One:

I am not engaged in Secondary/Dual employment currently. I agree to comply with the provisions of the secondary/dual employment policy and will seek approval from the agency head before engaging in secondary or dual employment. (Please sign, date and bring to Human Resources).

I am requesting permission to be engaged in Secondary/Dual Employment. I understand the policy governing secondary and dual employment, and my secondary/dual employment will not have any impact on and will not create any possibility of conflict with my primary employment. I understand that permission to engage in secondary or dual employment may be withdrawn at any time if in the opinion of my supervisor such employment hampers my job performance in the North Carolina Community College System.

Check One:

Secondary: Additional work for other than a state agency

Dual: Work with another state agency on a part-time, consulting or contractual basis

Secondary Employer/ Dual Employer Business: _____

Provide a detailed description of the secondary/dual employment including position title, work schedule, total hours worked per week, and description of duties. If additional space is needed, continue the reverse side or attach a separate document. Failure to complete this section will result in denial.

My work schedule with the System Office is from _____ am to _____ pm.

REQUIRED SIGNATURES

Employee Signature _____
Date

Supervisor(s) Signature _____
Date

Vice President Signature _____
Date

President Signature/or Designee _____
Date