

December 16, 2021

Wade Crowfoot, Secretary
California Natural Resources Agency
715 P Street, 20th Floor
Sacramento, CA 95814

Dear Secretary Wade Crowfoot,

In accordance with the State Leadership Accountability Act (Leadership Accountability), the California Science Center submits this report on the review of our internal control and monitoring systems for the biennial period ending December 31, 2021.

Should you have any questions please contact Patricia Marquez, Deputy Director of Administration, at (213) 744-2328, Pmarquez@californiasciencecenter.ca.gov.

GOVERNANCE

Mission and Strategic Plan

Mission Statement

The California Science Center aspires to stimulate curiosity and inspire science learning in everyone by creating fun, memorable experiences because we value science as an indispensable tool for understanding our world, accessibility and inclusiveness, and enriching people's lives.

The Science Center achieves its mission through three primary program areas:

- Exhibit-Based Education Programming
- Educator Professional Development - Center for Science Learning; and
- Model K-5 Charter Elementary School

Strategic Planning Values

The Science Center's cultural values and principles guide how we work with our guests, volunteers and ourselves. These values and principles guide our leadership in making principle-centered decisions that are aligned with the vision and mission statements of the institution and will serve as a model for our organization.

- Create open and honest dialogue
- Strive for quality and continuous improvement
- Accept responsibility
- Act with integrity
- Create interpersonal trust
- Practice fairness
- Promote teamwork
- Encourage diversity
- Make quality service to our guests a top priority

Averaging over two million guests annually, prior to the pandemic, the Science Center Program 10-Education represents one of California's premier educational and family destinations. Governed by a nine-member Board of Directors appointed by the Governor, the Science Center develops and features award-winning exhibits and internationally renowned education programs.

Hands-on educational exhibits and programs focus on science, math, technology and conservation, which explore the biological processes of humans, animals, plants, the Earth's ecosystems, habitats and geophysical processes, as well as engineering, communications, and transportation on land and in space. The Space Shuttle Endeavour continues to be on display in its temporary home—the Samuel Oschin Pavilion. The Science Center's Air and Space Center, the permanent home for the Endeavour, will be constructed by the California Science Center Foundation. In July 2021, the Foundation reached the fundraising threshold required to begin construction. The entire bond financing process was completed in October 2021, and construction is expected to begin in early 2022.

In addition, the Science Center offers a state of the art 3D IMAX theater which features science-related films and documentaries. The Center for Science Learning offers professional development programs to improve math, engineering and science skills of teachers and other educators. The Science Center School is a K-5 science, math, engineering and technology focused neighborhood charter school. As a Title 1 school, it serves one of the more underserved and economically challenged communities in South Los Angeles. The school's instructional programs and teacher training meet California science standards.

The Science Center maintains a longstanding and successful partnership with the Science Center Foundation, a non-profit auxiliary of the organization. While the original charge of the Foundation was to raise funds for exhibit development, today the Foundation not only supports exhibit development, operations and science education programming, but raises significant funds for state capital outlay projects.

The Science Center's mission values accessibility and inclusiveness and strives to inspire interest in science among those traditionally underrepresented in science, math, technology and engineering. The Science Center receives significant funding support for exhibit development, operations and capital outlay projects from the Science Center Foundation.

The Science Center targets the workforce of tomorrow, ensuring California remains competitive in the technological and scientific marketplace of the future, and is extremely effective at bringing educational and inspirational messages to a diverse community. Nearly 70 percent of the Science Center's guests are drawn from traditionally underserved populations of color, and more than half are female.

In addition, the Science Center's youth programs bring interactive educational experiences to children and youth residing in the economically challenged neighborhoods surrounding the Science Center in South Los Angeles. Community Youth Programs target students attending some of the most crowded and underperforming schools in the state.

The enabling legislation, which establishes the Science Center and its authority, is provided under the Food and Agricultural Code Sections 4101-4108.

Facilities

There are ten facilities totaling over 1.3 million square feet which includes public space, exhibit

galleries, offices, trade shops, animal care, quarantine and life support systems, back-of-house space and administrative offices. The Science Center's Plant Operations Unit provides support for all ten facilities. As such, the facility square footage information includes the California African American Museum (CAAM) and the Office of Exposition Park Management (OEPM) which includes the Department of Public Safety.

Staffing

The Science Center has 119 authorized positions. Classifications range from Administrators (curators) to the full complement of building trades. The majority of positions require the completion of an exam and an interview process where only the highest-scoring candidates are considered. Plant operations and trades staff represent approximately 69 percent of the Science Center's employees. Their work week covers a seven-day per week operation. The Science Center is open to the public 362 days per year.

State Administrative Services Unit - Support to OEPM and CAAM

The Science Center's State Administrative Services Unit not only provides administrative support to Science Center employees and management, but also provides the following administrative services to OEPM and CAAM:

- Human resources and personnel management services to the Office of Exposition Park Management, which includes the Department of Public Safety, DPS (38 PYs), and the California African American Museum (18) PYs and Temporary Hires (22). These services include but are not limited to: salary and benefit transactions, recruitment and hiring, equal employment opportunity consultation services and guidance, workers compensation and return-to-work. There are eight collective bargaining units between the Science Center, OEPM and CAAM (1, 4, 7, 12, 13, 14, 15 and 21).
- Health and safety, including administration of the Injury Illness Prevention Program, maintaining compliance with Cal OSHA requirements and emergency response preparedness, and response and recovery planning.
- Budget and fiscal services, including serving as the primary contract and liaison with the Department of Finance on budget development exercises and preparation of schedules, response to Budget Letters and Control Sections, and allocation of budget.

Note: The Science Center's Administrative Unit provides OEPM with accounting services. (CAAM has a separate unit and procurement authority). Accounting services include management of the Science Center and OEPM's FI\$Cal and SCO transactions and reimbursements. While the OEPM is included within the Science Center's purchase authority, the Science Center does not manage the OEPM budget nor has approval or oversight over purchases.

Control Environment

The Science Center takes a proactive approach toward ethics and ethical values. All state employees at the Science Center must comply with rules and regulations pertaining to conflicts of interest, which include mandatory ethics training every two years via the Fair Political Practices Commission. All new hires complete harassment prevention training and internet security awareness training on their first day. Retraining is required annually for internet security and every two years for harassment

prevention. In addition, the department is responsible for ensuring we adhere to the established regulations of the control agencies which include CalHR, State Controller's Office, State Personnel Board, Department of General Services, Department of Finance and Fiscal.

The Science Center's Employee Handbook also includes a detailed overview of codes of conduct which all state employees are expected to adhere to. In addition, the Science Center continues to remain in compliance with the Whistleblower Protection Act. Employees can report any ethical concerns without fear of retaliation, through both the Whistleblower Protection Act and internal regulations, which strictly prohibit any and all retaliatory tactics against good-faith complaints.

In order to maintain oversight, the Science Center is governed by a nine-member Board of Directors appointed by the Governor. The Science Center's oversight is led by President and CEO Jeffrey Rudolph. In addition to oversight by the President and CEO, the Deputy Director of Administration directly oversees administration which includes state accounting, budgeting, contracting and human resource areas including labor and EEO, training and health and safety.

The Assistant Deputy Director of Operations is over facility operations and responsible for overseeing the Science Center's facilities and managing operation's programs. Additionally, they oversee and monitor utility usage, waste streams and associated reporting to a variety of regulatory bodies. This includes authoring and updating of the DGS Sustainability Road Map.

Accountability within the Science Center is applied through monthly management meetings, weekly executive meetings and routine staff meetings among various departments designed to discuss assignments, responsibilities and progress. The Science Center routinely conducts internal audits at various levels of review to ensure there are checks, balances and compliance with the rules and regulations per the control agencies. In addition to team leaders, executives and management staff enforce accountability among employees.

The Science Center seeks individuals with ability, knowledge and passion about our mission as these qualifications are integral to the employee recruitment process. The Department's ability to establish, retain and maintain a competent workforce is demonstrated by the longevity of several members of senior executive staff. A training plan with stated goals provides technical support to management and rank-and-file staff through classes, seminars, webinars and workshops specific to their duties

Information and Communication

One of the strategic objectives of the Science Center is to build outstanding communications both internally and externally with staff, volunteers, guests and the public at large. Internal communication is received and disseminated vertically and horizontally throughout the organization. Relevant and reliable information is also provided in print and followed up verbally. Informational updates, corrections and/or clarifications to policies, procedures and processes are posted on the "P" Public drive for accessibility. (The exception is secured or confidential information). In addition, the Science Center distributes updates pertaining to the Science Center's mission and strategic goals through the agency's quarterly newsletter Connections Ink.

Annual employee performance evaluations also solicit feedback on the employee/supervisor written and verbal communication. This information is also carried over to employee duty statements.

Employees are encouraged to immediately report any inefficiencies and inappropriate actions to

management. The Science Center remains in compliance with the Whistleblower Protection Act, and in accordance with the act, an annual notification e-mail was distributed to all Science Center employees on July 2, 2021.

The Science Center fosters an environment that supports good-faith reports of alleged employee or Science Center-related violations. The Employee Handbook, which is provided to all new employees and available on the public drive, prohibits any and all retaliation against employees who make good-faith reports in accordance with federal and local laws.

External communication to the public is disseminated via the Science Center's public-facing website www.californiasciencecenter.org, where guests can learn information about the Science Center's featured exhibits, coming attractions and the various programs available through the Science Center such as Science Camp and Professional Development initiatives designed to further the Department's objectives.

Management also maintains correspondence with external stakeholders, vendors and outside parties through the use of Fi\$Cal, phone calls and e-mails.

The Science Center utilizes several information systems to record pertinent operational, programmatic and financial data. These systems include, but are not limited to, the Inspired Learning Management System (iLMS), Fi\$Cal, CalATERS Global, Concur and Microsoft Office.

MONITORING

The information included here discusses the entity-wide, continuous process to ensure internal control systems are working as intended. The role of the executive monitoring sponsor includes facilitating and verifying that the California Science Center monitoring practices are implemented and functioning. The responsibilities as the executive monitoring sponsor(s) have been given to:
Alfred Konuwa, EEO & Training Officer.

MONITORING

The Science Center's oversight is led by President and CEO Jeffrey Rudolph. In addition to executive staff, the Science Center is also governed by a nine-member Board of Directors.

Executive Monitoring Sponsor(s)

The executive monitoring sponsor responsibilities include facilitating and verifying that the Science Center's internal control monitoring practices are implemented and functioning as intended. The responsibilities as the executive monitoring sponsor has been given to Patricia Marquez, Deputy Director for Administration.

Monitoring Activities

The monitoring of internal controls is the responsibility of all members of the executive team – each deputy director is responsible for the overall establishment and maintenance of the monitoring systems. The Science Center's strategic values and principles guides our leadership in making principled-centered decisions. This includes striving for quality and continuous improvement. Monitoring activities and soliciting feedback occurs at several levels within the organization.

Ongoing Monitoring

As the head of the Science Center, Jeffrey Rudolph, President and CEO, is responsible for the overall establishment and maintenance of the internal control and monitoring systems.

Addressing Vulnerabilities

Each Department within the Science Center conducts Departmental meetings. Managers meet monthly to discuss any potential vulnerabilities. The Executive team meets on a weekly basis. In addition, the President and CEO conducts one-on-one meetings with direct reports. Certain departments also rely on monitoring and feedback via external solicitations to monitor outward facing services including programmatic evaluations, surveys, mystery shopper services, and guest comments.

Ongoing Monitoring Compliance

The Science Center has implemented and documented the ongoing monitoring processes as outlined in the monitoring requirements of California Government Code sections 13400-13407.

These processes include reviews, evaluations, and improvements to the Science Center's systems of controls and monitoring.

RISK ASSESSMENT PROCESS

The following personnel were involved in the California Science Center risk assessment process: executive management, middle management, front line management, and staff.

The following methods were used to identify risks: brainstorming meetings, employee engagement surveys, ongoing monitoring activities, audit/review results, other/prior risk assessments, external stakeholders, questionnaires, consideration of potential fraud, and performance metrics.

The following criteria were used to rank risks: likelihood of occurrence, potential impact to mission/goals/objectives, timing of potential event, potential impact of remediation efforts, and tolerance level for the type of risk.

RISKS AND CONTROLS

Risk: Key Card Access, ID Badge Reconciliation

During a routine internal review of ID Badge records, the California Science Center learned there were several inactive ID Badges listed. This meant individuals who no longer worked for the Science Center were still assigned to inactive ID badges (or key cards).

Improper ID Badge reconciliation could give way to a host of security concerns. If unauthorized individuals maintain access to buildings and facilities that contain privileged and confidential information, it could lead to a breach in security while also creating threats to the physical safety of staff. The Science Center proactively reviews its internal security processes to protect one of its many strategic values of striving for quality and continuous improvement. The risk of unreconciled ID Badges could jeopardize this goal by failing to improve internal processes with updated, centralized and transparent security measures.

The California Science Center's State Administration and Plant Operations Departments held a meeting on March 10, 2021 to reconcile ID Badge Access among various departments within Exposition Park. This included identifying current employees with ID Badge access while flagging separated employees whose ID Badges were no longer active. To further centralize this process, a new ID Badge reconciliation process was established to ensure all active ID Badges were accounted for and reconciled to current employees.

Control: ID Badge Reconciliation Policy and Process

Ahead of an April 16, 2021 deadline, all managers and supervisors of the Science Center used an Employee ID Badge Information Form to submit lists of each active member of their staff. Information included employee name, job title, organization, department and the five-digit ID Badge card number which is found on the back of the card.

Upon receiving a complete list of active employees and their current ID badge numbers, the Science Center State Human Resources (State HR) department drafted and finalized ID Badge procedure documents. In addition to the ID Badge procedure, which includes the Science Center's ID Badge policy, State HR also drafted a detailed, step-by-step process of assigning ID badges. Human Resources also updated a reconciliation form via an Excel Spreadsheet, which is available on a shared drive in the State HR folder that can only be accessed by HR staff. The current reconciliation form only lists active employees and their corresponding ID Badge number.

All employees must complete an ID Badge Authorization Form to be signed by the employee and their supervisor. Once completed, employees are added to the reconciliation form and provided access by the Operations Supervisor, reducing the risk of unauthorized access.

Risk: Conflict of Interest

Upon submitting the 2021 State Biennial Notice to the Fair and Political Practices Commission (FPPC), the California Science Center realized it needed to update its Conflict of Interest Code. The current code required changes to reflect potential conflicts of interests among designated positions from executive management, manager/supervisors and rank-and-file staff. Amendments to the current code included adding designated positions and updating disclosure categories.

A current conflict of interest code adds transparency to the decision-making process, and whether or not these decisions will have a material impact on the financial interests staff members involved. Without a current Conflict of Interest Code, Science Center staff risks making key decisions from a compromised position. A current conflict of interest code reasonably assures that all foreseeable potential conflict of interest situations will be prevented.

Control: Updated Conflict of Interest Code

The California Science Center drafted an amended Conflict of Interest Code listing all designated positions within the agency that makes, or participates in, governmental decisions. With guidance from the Fair Political Practices Commission (FPPC), each position was assigned a disclosure category which details specific interests to be reported by each designated position on a Form 700. In other words, all designated positions listed must use a Form 700 to report any potential conflict of interest that may arise in making governmental decisions.

The Science Center is currently working with an FPPC consultant to finalize its new code. The amended Conflict of Interest Code will be shared with the Office of Administrative Law in addition to Science Center staff.

CONCLUSION

The California Science Center strives to reduce the risks inherent in our work and accepts the responsibility to continuously improve by addressing newly recognized risks and revising risk mitigation strategies as appropriate. I certify our internal control and monitoring systems are adequate to identify and address current and potential risks facing the organization.

Jeffrey N. Rudolph, CEO

CC: California Legislature [Senate (2), Assembly (1)]
California State Auditor
California State Library
California State Controller
Director of California Department of Finance
Secretary of California Government Operations Agency