Dear Mr. Cohen,

In accordance with the State Leadership Accountability Act (SLAA), the California State Summer School for the Arts submits this report on the review of our systems of internal control and monitoring processes for the biennial period ended December 31, 2015.

Should you have any questions please contact Katrina Dolenga, Deputy Director, at (916) 229-5171, kdolenga@csssa.org.

BACKGROUND

The California State Summer School for the Arts was established by a bill authored by then State Senator John Garamendi and signed by Governor Deukmejian in 1985 (Education Code section 8950).

The major objectives stated by the Legislature in establishing the program:

- To enable artistically gifted and talented students, broadly representative of the socioeconomic and ethnic diversity of the state, to receive intensive training in the arts through a multidisciplinary program;
- To provide a training ground for future artists who may wish to study and practice the arts or to pursue careers in the major performing arts companies and the commercial and fine arts institutions in California;
- To establish a model for partnership between the public and private sectors

The California State Summer School for the Arts is the result of unique public and private sector planning and funding. Approaching its 30th summer of operation, the school has trained more than 15,000 highly talented students in the arts.

Due to the size of the California State Summer School for the Arts with only four full-time employees, interdepartmental contracts are utilized for accounting and personnel services. The California Arts Council provides accounting services and reports separately regarding internal audit and accounting controls. The California Department of Education provides all personnel services to the California State Summer School for the Arts.

Michael Fields is the Director and may be contacted at 916-229-5160, mfields@csssa.org; Katrina Dolenga is the Deputy Director and may be contacted at 916-229-5171, kdolenga@csssa.org. For questions related to accounting, Peggy Megna at the California Arts Council may be contacted, 916-322-6347, pmegna@caartscouncil.ca.gov. Personnel related questions may be directed to Lynne Wanner with the California Department of Education, 916-319-0947, lwanner@cde.ca.gov.
RISK ASSESSMENT PROCESS

The California State Summer School for the Arts' Director and Deputy Director regularly discuss possible intradepartmental vulnerabilities and risks. The Director and Deputy Director regularly discuss the vulnerabilities and risks associated with the California State Summer School for the Arts' reliance on other State departments for accounting and personnel services. Both the Director and Deputy Director reviewed the templates and guidelines provided by the Department of Finance, Office of State Audits and Evaluations, as well as Government Code sections 13400 et seq.

EVALUATION OF RISKS AND CONTROLS

Operations- Internal- Staff—Key Person Dependence, Succession Planning

As a small department, the California State Summer School for the Arts relies on individuals for key functions. Key person dependency has been an issue for the Summer School since its inception.

As a department with four positions, the department policy is that detailed documentation be maintained for all projects. In the event of absence or vacancy, other staff will be able to resume the work with the aid of the documented files.

Operations- External- Staff—Recruitment, Retention, Staffing Levels

To achieve the mission of the CA State Summer School for the Arts, all four permanent positions are required to reside in the host site city for the duration of the summer program. This mandatory job requirement results in recruitment and retention challenges throughout the history of the CA State Summer School for the Arts.

It is imperative that all employees be at the host site for the duration of the summer program. Management ensures that staff will have two consecutive days off on a weekly basis for home visits. Further, management works closely with staff and their particular needs to participate in special life events.

ONGOING MONITORING

Through our ongoing monitoring processes, the California State Summer School for the Arts reviews, evaluates, and improves our systems of internal controls and monitoring processes. As such, we have determined we comply with California Government Code sections 13400-13407.

Roles and Responsibilities

As the head of California State Summer School for the Arts, Michael Fields, Director, is responsible for the overall establishment and maintenance of the internal control system. We have identified Michael Fields, Director, as our designated agency monitor(s).

Frequency of Monitoring Activities

The California State Summer School for the Arts holds weekly meetings including all four staff members. Agenda items include potential as well as known control issues. These weekly meetings enable the California State Summer School for the Arts to closely monitor current and potential issues and take action when appropriate and necessary.

Reporting and Documenting Monitoring Activities

All four staff members of the California State Summer School for the Arts communicate directly at our weekly meetings of any problems observed. In addition to the verbal communication, each staff member is required to write a report outlining the potential issue with suggestions for mitigating or resolving. The report is shared with the four staff and placed on the agenda for the following weekly meeting. The
potential issue remains on the weekly agenda until resolved.

Procedure for Addressing Identified Internal Control Deficiencies

All four staff members of the California State Summer School for the Arts receives all reports related to any identified control deficiencies. These deficiencies are monitored weekly until resolved.

CONCLUSION

The California State Summer School for the Arts strives to reduce the risks inherent in our work through ongoing monitoring. The California State Summer School for the Arts accepts the responsibility to continuously improve by addressing newly recognized risks and revising risk mitigation strategies. I certify our systems of internal control and monitoring processes are adequate to identify and address material inadequacies or material weaknesses facing the organization.

Michael Fields, Director

cc: Department of Finance
Legislature
State Auditor
State Library
State Controller
Secretary of Government Operations