ASSET MANAGEMENT

REAL PROPERTY / LEASES

AUDIT REPORT #21-2202

Audit & Advisory Services

November 2021

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# Background

In accordance with the Campus fiscal year 2020-21 audit plan, Audit & Advisory Services (A&AS) conducted an audit of internal controls and associated business practices of Asset Management’s operation.

Asset Management supports the educational mission of the University by providing safe, clean, and well-maintained off-campus space for its tenants including efficient, environmentally sensible and cost-effective construction coordination services for off-campus projects, and services as requested for customers who operate off-campus University-owned properties.

Asset Management provides full-service property management for University-owned high-rise office buildings in Westwood. These five buildings contain over one million square feet of space that are primarily occupied by 150 University tenants. Asset Management also provides limited-service property management for 60 other University-owned properties.

The department is structured in five function-based teams that perform as follows:

Operations: Day-to-day activities of property management, such as repairs, maintenance, engineering, janitorial, security, fire-life-safety, parking, tenant relations and tenant construction project coordination.

Accounting: Property accounting, such as rent billing and collection, purchasing, cash management, financial analysis, project accounting and related close-out.

Contracts: Administration of contracts and contract compliance for tenant improvements, maintenance, repairs, professional services and insurance claims.

Construction: Project management, administration of tenant improvement construction projects and contractors; oversight of major maintenance projects in collaboration with the Portfolio Chief Engineer.

Finance: Administration of campus-wide projects, leasing management, budgetary and strategic planning, and data management for off-campus owned properties; staffing functions including recruiting, performance evaluation, promotion and compensation.

As of January 1, 2021, Asset Management was comprised of 27.5 full-time equivalent positions. The department is managed by an Associate Director who reports to the Executive Director of UCLA Real Estate Services.

Purpose and Scope

The primary purpose of the review was to evaluate the adequacy and efficiency of Asset Management’s internal controls, and ensure the related systems and procedures relating to property/leasing activities are conducive to accomplishing its business objectives. Where applicable, compliance with campus and University policies and procedures was also evaluated.

The scope of the audit focused on the following areas:

* Financial Management
* Information Technology Systems
* Physical Security

The review was conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing* and included tests, and other procedures considered necessary to achieve the audit purpose. Interviews were conducted with management and staff, and various other financial and administrative documents were examined.

# Summary Opinion

Based on the results of the work performed within the scope of the audit, internal controls over property/leasing activities are generally conducive to accomplishing its business objectives. However, controls and business practices could be strengthened by implementing the following:

*Accountability Structure*

* The Asset Management Chief Administrative Officer (CAO) and Departmental Security Administrators (DSAs) should monitor accountability delegations by reviewing quarterly Distributed Administrative Computing Security System (DACSS) reports to ensure that the structure reflects access that is appropriate and consistent with the department’s organizational structure and job responsibilities. A&AS is available upon request to provide training on the DACSS reports in the Campus Data Warehouse (CDW).

### *Departmental Security Administrators*

* Management should establish a pair of DSAs within their Division to ensure that access is updated regularly.

*Building Engines System UCLA Tenant User - Separated Employee*

* Periodic reviews of the Building Engines system’s user access and contact information should be performed to ensure that all users and related information are current. Management should require UCLA tenant departments to provide verifying information.

*Building Engines System Employee User Access No Longer Required*

* Management should perform periodic reviews of the Building Engines system’s employee user responsibilities and/or operational functions to ensure that all such users and related information are current. By doing so, management will be strengthening controls over Building Engines system access.

*Building Engines System - Access Supporting Documentation*

* On a go-forward basis, management should prepare and properly maintain an appropriate audit trail for requesting and approving Building Engines system access. The supporting documentation should include, but not be limited to, the description, explanation and justification for requesting system access. Pertinent information for this process should be identified, captured and communicated to management and staff in a written departmental procedure. The establishment and implementation of a written departmental procedure will promote efficiency, individual accountability, and process completeness.

*Building Engines System - Periodic User Review*

* Management should establish and implement written departmental procedures to properly control access to the Building Engines system. The procedures should include, but not be limited to, review frequency, the review process steps, preparation of supporting documentation, management review and approval, etc. This procedure should incorporate reviewing the listing of tenant users, Asset Management employees, and any other users that are identified. By doing so, management will be supporting accountability as well as strengthening controls over Building Engines system access.

*Building Engines System – Risk Management Property Incident Notification Automated Process*

* Management should consider expanding its Building Engines system functionality to provide automated notifications to appropriate personnel identified as relevant to the respective incident event type for notification purposes only and as a complement to operational procedures handled by phone notification. The Building Engines system should minimize any manual tasks performed by its users. Once the software enhancement is complete, management should ensure that the new level of functionality is user friendly and meets the needs of its property management operation.

*YARDI System Access - YARDI Company Support Administrators*

* Management should obtain written confirmation from YARDI company that its three YARDI system administrators are current employees that require access to UCLA Asset Management’s YARDI account. Additionally, management should ensure that all system administrator access is periodically verified as being current and appropriate based on job responsibilities, and part of its overall routine all-inclusive systems access verification procedure.

*YARDI System - Read Only Access*

* Management should research if YARDI provides read only logins that would not require a full license and are cost efficient. Ideally, each authorized YARDI system read-only user would have their own unique logon credentials in order to provide an audit trail for each user. Maintaining unique log-in credentials provides an inventory of user activity, and a method to control, track and monitor read-only access. If having read-only unique YARDI system logins is not financially viable, management should at a minimum establish proper controls over the read-only YARDI account, such as maintaining a documented list of the employees who have been given the login and password and ensuring that the password is changed anytime someone who has the password leaves the department or whose role has changed and no longer needs YARDI access.

*YARDI System - Access Supporting Documentation*

* On a go-forward basis, management should prepare and properly maintain an appropriate audit trail for requesting and approving YARDI system access. The supporting documentation should include, but not be limited to, the description, explanation and justification for requesting system access. Pertinent information for this process should be identified, captured and communicated to management and staff in a written departmental procedure. The establishment and implementation of a written departmental procedure will promote efficiency, individual accountability, and process completeness.

*YARDI System - Periodic User Review*

* Management should establish and implement written departmental procedures to properly control access to the YARDI system. The procedures should include, but not be limited to, review frequency, the review process steps, preparation of supporting documentation, management review and approval, etc. This procedure should incorporate testing of all users, YARDI Company support administrators, and any other users that are identified. By doing so, management will be supporting accountability as well as strengthening controls over YARDI system access.

*Fire Drill Training*

* Management should promptly communicate with UCLA Environmental Health & Safety Department (EH&S), Office of Emergency Management (OEM), and the campus Fire Marshal to schedule planning meetings to develop, establish and implement the required fire drill training. Fire drill training supports preparedness of the campus community for responding to disasters and other emergencies.
* Due to the ongoing conditions created by the COVID pandemic, fire drill evacuation procedures may need to include measures that adhere to rules established by work force regulators to protect workers at work sites, including prescribed distancing and face covering/mask requirements.

The audit results and corresponding recommendations are detailed in the following sections of this report.

# Audit Results and Recommendations

Financial Management

The Asset Management accountability structure in DACSS in effect as of May 2021 was evaluated for effective delegation of authority in initiating, processing, reviewing transactions, and for adherence to the UCLA Financial Policy on “Principles of Financial Accountability.” According to the UCLA Financial Policy, maintaining and securing an effective accountability structure should provide for the routine update of DACSS to ensure that proper access is granted to inquire, prepare, and/or review transactions.

DACSS is UCLA’s enterprise application access management system. This system allows campus departments to manage access to the resources and functions of all major university transaction systems, such as Purchasing, Accounts Payable, and Payroll. A user’s ability to perform a transaction can be limited based on organizational hierarchy and/or full accounting units (FAU). Additionally, dollar limits can be placed on financial transactions. The CAO of a unit is responsible for identifying which individuals will have access to the applications systems, and those responsible for reviewing the transactions for each specific application. TheCAO is responsible for selecting primary and back- up DSAs. The DSA is responsible for the input (into DACSS system) of the access as delineated by the CAO.

Controls surrounding the Asset Management accountability structure and the Annual CAO Certification and Accountability Matrix were reviewed.

The following Campus Data Warehouse (CDW) reports for Asset Management department code 3189 were obtained on May 10, 2021:

* QDB (Query Data Base) Users by Appt (Appointment) Unit and Users by System Access Request (SAR) Unit.
* Users and their Access by Appt Unit, by SAR Unit, and Users with Access to a Specific Unit.
* Reviewers for a Specific Unit and Reviewers by Home Department Code.

Data from the seven reports was used to create worksheets that provided a listing of all users and reviewers that have access to inquiry, process, and review Asset Management transactions. The worksheets were sent to the CAO to confirm that access is appropriate.

Overall, the Asset Management CAO has established an effective DACSS structure for the delegation of reviewing transactions. The previous Asset Management CAO had submitted the DACSS CAO certification for 2020 to the Office of the Controller. The current Asset Management CAO is currently working on the 2021 DACSS CAO certification. However, the following issues were noted and according to management many result from a 2021 departmental reorganization:

### Accountability Structure

Two reviewers have access that should be removed:

* CashNet reviewer access for the Asset Management Accounting Supervisor is redundant. This reviewer is assigned as a mandatory reviewer for all FAUs in Asset Management. Additionally, the same reviewer is assigned as a non-mandatory reviewer for only fund 76570. Per discussion with the Asset Management CAO, the reviewer should only be set up as a CashNet mandatory reviewer for all Asset Management FAUs.
* Transfer of Funds reviewer set up for Financial Management Services (FMS) Principal Administrative Analyst is no longer necessary and should be removed.

Two Asset Management employees have redundant access to BruinBuy that should be removed:

* Two Assistant Property Managers have BruinBuy access at redundant levels - all FAUs, and limited access to certain funds. This redundant access should be removed.

Two Asset Management employees’ roles changed and their access should be updated:

* The Lease Administrator’s role has changed. Therefore, the Lease Administrator’s BruinBuy purchasing, Post Authorization Notification (PAN) audit trail, and financial system access should be removed.
* The Asset Manager has UCPath access, PeopleAdmin Job Description preparer and PeopleAdmin Job Requisition preparer access that should be removed.

Two FMS employees have access to Asset Management that should be removed:

* The FMS Principal Administrative Analyst has BruinBuy purchasing access that should be removed.
* The FMS Senior Administrative Analyst has BruinBuy purchasing access that should be removed.

Three previous Asset Management employees transferred to other UCLA departments but continue to have access to Asset Management that should be removed:

* One user transferred to UCLA Mechanical and Aerospace Engineering. However, this user continues to have Interdepartmental Recharge Request access.
* One user transferred to the Anderson School. However, this user continues to have Transportation Services Coordinator access.
* One user transferred to the California Nano Systems Institute. However, this user continues to have Transportation Services Coordinator access.

Two previous Asset Management users no longer work for the University:

* One separated employee continues to have Interdepartmental Recharge Request access. This access should be removed.
* One separated employee has an active DACSS login that should be deleted.

Recommendation: The CAO and DSAs should monitor accountability delegations by reviewing quarterly DACSS reports. Reviewing the quarterly DACSS reports will ensure that the structure reflects access that is appropriate and consistent with the department’s organizational structure and job responsibilities. A&AS is available upon request to provide training on the DACSS reports in CDW.

Response: Asset Management’s CAO departed UCLA on November 30, 2020 amidst COVID and midway into a departmental reorganization which commenced March 2020. Since, the Associate Director has assumed the role and completed the CAO certification for FY2021, and though for unknown reasons as to why so many redundancies were in place, they have since been removed. All roles have also been updated to reflect departmental reorganization which was completed in April 2021. Monitoring of delegations is in place as recommended.

### Departmental Security Administrators

Asset Management has not yet designated its own DSA pair within its Division. Asset Management is under Organization 6400 Vice Chancellor/Chief Financial Officer, Division Real Estate Services, and SubDivision 5950 Real Estate. The current DSAs are FMS employees who are also the DSAs for all units under Organization 5000 Administrative Vice Chancellor. Previously, Asset Management was under Organization 5000 and its DSAs resided within FMS.

Recommendation: Asset Management should establish a pair of DSAs within their Division to ensure that user system access is updated regularly.

Response: Asset Management will review and discuss recommendation in FY2022 when departments have stabilized from related COVID return to work for feasibility.

Information Technology Systems

System Access – Building Engines

Building Engines is a web-based system used by Asset Management to manage preventive maintenance scheduling, work orders, and electronic dispatching of custodial, maintenance and security personnel, etc. The system has been set up for use as of November 2020. A&AS assessed Building Engines to verify that user access is appropriately requested, properly approved by management, and is current based on job responsibilities. Discussions were conducted to obtain an understanding of existing procedures governing granting user access to the Building Engines system. Monitoring of user access was also evaluated for adequacy.

Asset Management provided two Building Engines user listings. The tenants list included 185 users, and the employee list included 38 users. Tenant users include renter and lessee contact information. Employee users include staff from UCLA Real Estate department as well as Asset Management. A judgmental sample of 20 total users from both lists was selected for testing.

A. Building Engines System UCLA Tenant User - Separated Employee

Building Engines system user access and contact information are not always deleted or updated as necessary when a user’s status changes. Of the 16 Building Engines tenant users tested, one user (6.25%) separated from the University in June 2020. According to management, Asset Management had contacted UCLA tenants and requested an updated tenant user listing; the tenant group provided the tenant user listing in August 2020. By not ensuring that Building Engines user information is maintained on a current basis, unauthorized access may occur.

Recommendation: Management should perform periodic reviews of the Building Engines system’s user access and contact information to ensure that all users and related information are current. As part of the periodic review, management should require UCLA tenant departments to provide additional information, such as full tenant contact employee name, employee “empl” identification number, verification the employee is still an active departmental employee, current role within the department, etc. By doing so, management will be strengthening controls over Building Engines system access.

Response: Asset Management had requested updated information as of June 2021 in preparation for return to work from the current pandemic stay at home orders and work from home plans. Over the course of the past year’s implementation, Asset Management has been working to training its onsite staff and has since established a semi-annual review of user additional information in addition to a standard operating procedure for ongoing changes.

### Building Engines Employee User Access No Longer Required

Building Engines system user access and contact information is not always deleted or updated as necessary when a user’s responsibilities and/or operational position changes. Of the four Building Engines employee users tested, one user (25%) no longer requires access due to organizational changes in staffing and related responsibilities. By not ensuring that Building Engines system privileges are maintained on a role based access control framework, unnecessary and unauthorized system access may occur.

Recommendation: Management should perform periodic reviews of the Building Engines system’s employee user responsibilities and/or operational function to ensure that all such users and related information are current. By doing so, management will be strengthening controls over Building Engines system access.

Response: Asset Management’s departmental reorganization which commenced early 2020, and was just finalized in April 2021, resulted in numerous employee changes. The review of department responsibilities, users, and functions was completed in June 2021 when return to work plans were being drafted. Since standard operating procedures for any and all updates have been put in place for ongoing updates as needed and a semi-annual review of responsibilities, users, and functions.

C. Building Engines System - Access Supporting Documentation

The audit trail for the request and approval of the Building Engines system user access is inadequate. There is no documented procedure for the departmental process of granting Building Engines system access. Management indicated that the request and/or approval for such system access can be communicated verbally. UCLA Financial Policy requires that authorizations for such system transactions have adequate supporting documentation, including descriptions and explanations, and be sufficient to support any internal or external review.

Departmental control activities include, but are not limited to, reviews of operating procedures to ensure principles of internal control are being followed, and strengthening those controls to ensure the effectiveness and efficiency of operations.

Recommendation: On a go-forward basis, management should prepare and properly maintain a documented audit trail for requesting and approving Building Engines system access. The supporting documentation should include, but not be limited to, the description, explanation and justification for requesting system access. Pertinent information for this process should be identified, captured and communicated to management and staff in a written departmental procedure. The establishment and implementation of a written departmental procedure will promote efficiency, individual accountability, and process completeness.

Response: Asset Management established use of Building Engines in August 2020 and the department has been establishing data input for its use (tenant information, equipment lists, working priority functions, data tracking) and its shared users within UCLA as a result of recent Policy 360’s ratification. Simultaneously, in the current year, Asset Management is building and updating an outdated website that will contain a user-friendly request form for access to Building Engines. Written procedures were drafted in June 2021 and will be finalized by fall.

### Building Engines System - Periodic User Review

There is no established periodic review of Building Engines user access to ascertain whether existing privileges granted are still appropriate. Access controls authenticate and allow authorized individuals to see data and/or use the system.

UCLA Policy 360, Internal Control Guidelines for Campus Departments (UCLA Policy 360), requires periodic review of department operating procedures to ensure internal controls are being followed and improving on those controls when weaknesses are detected.

UCLA Policy 360 also requires control activities, including operating procedures, to be identified and captured such that it enables management and staff to carry out their responsibilities efficiently and effectively. Without adequate written guidelines for periodic review of systems access, efficiency and effectiveness of the Asset Management operation may be affected. Likewise, by not performing a periodic review of Building Engines system privileges, unauthorized access to and use of the system and its data may occur.

Recommendation: Management should establish and implement written departmental procedures to properly control access to the Building Engines system. The procedures should include, but not be limited to, review frequency, the review process steps, preparation of supporting documentation, management review and approval, etc. This procedure should incorporate reviewing the listing of tenant users, Asset Management employees, and any other users that are identified. By doing so, management will be supporting accountability as well as strengthening controls over Building Engines system access.

Response: Asset Management’s draft procedures include recommendations.

System Access - YARDI

The YARDI system is used by Asset Management to track tenant lease information and reconcile related tenant charges. A&AS performed testing to verify that YARDI system access is appropriately requested, properly approved by management, and is current based on job responsibilities. Interviews were performed throughout the review in order to obtain an understanding of existing procedures governing granting access to the YARDI system. Monitoring of such access was also evaluated for adequacy. Asset Management provided a listing of the 10 current YARDI system users. These users include YARDI company support administrators. Utilizing the UCPath system, testing was performed to verify listed Asset Management staff are still current departmental employees and job duties require access to the YARDI system.

1. YARDI System access - YARDI Company Support Administrators

YARDI company support administrators assigned to Asset Management’s YARDI system account have not been periodically verified as being current. Of the ten total YARDI users, three are YARDI company users with system administrator access. It is unknown if the YARDI support administrators are still employed by YARDI and still have job responsibilities which requires them to have access to UCLA Asset Management's YARDI account.

Recommendation: Management should obtain written confirmation from YARDI company that its three YARDI system administrators are current employees who require access to UCLA Asset Management’ YARDI account. Additionally, management should ensure that all system administrator access is periodically verified as being current and appropriate based on job responsibilities, and are part of its overall routine all-inclusive systems access verification procedure.

Response: Asset Management will request written confirmation as recommended as well as perform a periodic review.

1. YARDI System - Read Only Access

As of January 2020, the cost of a YARDI license was $2,346. In August 2020, a cost savings decision was made by management to create a YARDI system user account with read-only access that would be shared by users that only need read access rights. The viewable read-only data is not sensitive, restricted or proprietary. This data is only viewed based on job responsibilities. A unique logon credential is a standard internal control. Unique logon credentials create accountability and ownership, and protect each employee in the event data are used inappropriately. Additionally, log-in credential history can be viewed in system security reports for control purposes. User access to the shared account is not documented, nor are there written procedures to establish proper controls over the shared login.

Recommendation: Management should research if YARDI provides read only logins that would not require a full license and are cost efficient. Ideally, each authorized YARDI system read-only user would have their own unique logon credentials in order to provide an appropriate audit trail. Maintaining unique log-in credentials provides an inventory of user activity, and a method to control, track and monitor read-only access. If having read-only unique YARDI system logins is not financially viable, management should at a minimum establish proper controls over the read-only YARDI account, such as maintaining a documented list of the employees who have been given the login and password and ensuring that the password is changed anytime someone who has the password leaves the department or whose role has changed and no longer needs YARDI access.

Response: Asset Management will research if read only logins are available, although unlikely, and will establish proper controls for read only access.

C. YARDI System - Access Supporting Documentation

The audit trail for the request and approval of YARDI System user access is inadequate. There is no documented procedure for the departmental process of granting YARDI system access. Management indicated that request and/or approval for such system access can be communicated verbally.

UCLA Financial Policy requires that authorizations for such system transactions require adequate supporting documentation, including descriptions and explanations, and be sufficient to support any internal or external review. Departmental control activities include, but are not limited to, reviews of operating procedures to ensure principles of internal control are being followed, and strengthening those controls to ensure the effectiveness and efficiency of operations.

Recommendation: On a go-forward basis, management should prepare and properly maintain an appropriate audit trail for requesting and approving YARDI system access. The supporting documentation should include but not be limited to, the description, explanation and justification for requesting system access. Pertinent information for this process should be identified, captured and communicated to management and staff in a written departmental procedure. The establishment and implementation of a written departmental procedure will promote efficiency, individual accountability, and process completeness.

Response: Asset Management finalized its use of Yardi in the current Fiscal Year after a 10-year initiative. The current written procedure addresses all recommendations and is in draft for finalization.

D. YARDI System - Periodic User Review

There is no established periodic review of YARDI system user access to ascertain whether existing privileges granted are still appropriate. Access controls authenticate and allow authorized individuals to see data and/or use the system.

UCLA Policy 360, Internal Control Guidelines for Campus Departments (UCLA Policy 360), requires periodic review of department operating procedures to ensure internal controls are being followed and improving on those controls when weaknesses are detected. UCLA Policy 360 also requires control activities, including operating procedures, to be identified and captured such that it enables management and staff to carry out their responsibilities efficiently and effectively. Without adequate written guidelines for periodic review of systems access, efficiency and effectiveness of the Asset Management operation may be affected. Likewise, by not ensuring that periodic review of YARDI system privileges are maintained on a current basis, unauthorized access to and use of the system and its data may occur.

Recommendation: Management should establish and implement written departmental procedures to periodically review user access to the YARDI system. The procedures should include, but not be limited to, review frequency, the review process steps, preparation of supporting documentation, management review and approval, etc. This procedure should incorporate testing of all users, YARDI Company support administrators, and any other users that are identified. By doing so, management will be supporting accountability as well as strengthening controls over YARDI system access.

Response: The current written procedure addresses all recommendations and is in draft for finalization.

Property Incidents

Routing

Asset Management provided A&AS with an understanding of current incident routing (communication) utilizing its Building Engines system. The current process, implemented in January 2021, necessitates manually entering into Building Engines routing information and assigning a priority level for each incident. An incident is any instance of accident, injury, property damage, etc., that can result in a claim or litigation. Routing information used to identify who receives dispatch notifications based on associated priority levels was evaluated for adequacy. Currently with the COVID pandemic, there has not been a high level of building occupancy. Therefore, there has not been the usual level, type, number and frequency of incidents. Asset Management is still determining the most efficient and effective methodology using the Building Engines manual routing process.

There were no significant control weaknesses found in this area.

Prioritization

Included in the meetings with management regarding manual incident routing processes, was a discussion of the practicality and reasonableness of enhancing the Building Engines system to provide an automated method for incident routing and prioritization. Based on information provided by Asset Management and the Building Engines website, it appears that the system can be configured to perform incident routing and prioritization automatically.

1. Building Engines System – Risk Management Property Incident Notification Automated Process

The Building Engines system has not been configured to automate incident prioritization and routing of such incidents that occur on Asset Management’s managed properties. Building Engines allows for creating defined contact groups and assignment of incident urgency (prioritization) while utilizing a mobile platform application.

Recommendation: Management should consider expanding its Building Engines system functionality to provide automated notifications to appropriate personnel identified as relevant to the respective incident event type for notification purposes only and as a complement to operational procedures handled by phone notification. The Building Engines system should minimize any manual tasks performed by its users. Once the software enhancement is complete, management should ensure that the new level of functionality is user friendly and meets the needs of its property management operation.

Response: As part of the ongoing implementation, Building Engines programmers are in process of setting up automated notifications. This procedure is already in place by use of emails and phone but will enhance current procedures when complete.

Incident Reporting – Training

A&AS held discussions with Asset Management to gain a general understanding of training provided for the reporting of incidents occurring on managed properties.

A review was performed of training materials and documentation including but not limited to incident routing guidelines, property claim reporting protocols, “what-if scenario” practices and procedures, and emergency contact instructions.

One function of the Building Engines system is to report, track and monitor incidents. Security guards at managed properties are responsible for reporting incidents using Building Engines. Security guards are trained for security duties and reporting property incidents, etc. Currently, Asset Management contracts with Allied Security for security guard services. However, the Allied Security contract ends on June 30, 2021. Thereafter, Asset Management will receive equivalent services from the University of California Police Dept. (UCPD) and campus community service officers (CSOs). A memorandum of understanding (MOU) between UCPD and Asset Management is being finalized for the training and oversight of security guard services in preparation for the expiration of the Allied Security contact. UCPD will then be responsible for managing security guard training, training monitoring and tracking, etc.

There were no significant control weaknesses found in this area.

Physical Security

Fire Drill Training

Interviews were conducted with Asset Management’s operations manager to obtain an understanding of required fire drill training related to four of its managed properties. Those four buildings are the Wilshire Center, Westwood Center, Gayley Center, and the Wilshire Glendon, i.e., Hammer Museum building. Management indicated that, due to the “UC Contracting Out Policy – Insourcing Requirements” fire drill and fire warden trainings, previously provided by 3rd party affiliates, are now to be planned and conducted using existing campus resources. Planning meetings for the new fire drill training were in-fact scheduled and then subsequently suspended during March 2020 due to the COVID pandemic. The new insourced fire drill training is expected to receive vetting and guidance from UCLA Environmental Health & Safety (EH&S) and the UCLA Fire Marshal, which have expertise in this area.

Management indicated that EH&S has not responded to requests for fire drill and fire warden training. The concept phase for the new training envisions a combination of online virtual education and “live” fire drills. EH&S and the Fire Marshal are required to vet and approve all fire drill plans, training, etc. New fire drill and fire warden trainings have not yet formally begun. Asset Management is awaiting on guidance from senior management before moving forward.

A cursory review was performed of the EH&S website, Office of Emergency Management (OEM) website, and UCLA Fire website, to obtain an overview of services those campus departments provide. Evaluating the new fire drill and fire warden training also includes assessing whether such training considers COVID distancing and face covering/mask requirements.

1. Fire Drill training

Asset Management has not received a response from UCLA EH&S for conducting fire drills and fire warden training. Due to campus insourcing service requirements, Asset management is now dependent on EH&S and UCLA OEM to provide training and related support, including delivery and tracking of such training to faculty, staff, and students who work at four of its managed properties. The initial request for this training was made in February 2020 at the start of the COVID pandemic. Since then, coordination of fire drills and training has been suspended. This is especially important as individuals begin to re-occupy buildings. By not planning for and conducting such training, safety of individuals is at risk in case of an emergency evacuation.

Recommendation: Management should promptly communicate with UCLA EH&S, OEM, and the campus Fire Marshal to schedule planning meetings to develop, establish and implement the required fire drill training. Fire drill training supports preparedness of the campus community for responding to disasters and other emergencies. Due to the ongoing conditions created by the COVID pandemic, fire drill evacuation procedures may need to include measures that adhere to rules established by work force regulators to protect workers at work sites, including prescribed distancing and face covering/mask requirements.

Response: Asset Management will continue its efforts in working with EH&S although planning is hindered while occupancy is low during the pandemic. 100 Medical Plaza, fully occupied, is on schedule to have training and drills completed in October 2021. The remainder of the portfolio is on hold until UCLA returns back to work.

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