



Bond Measure O

Performance Audit

PROCESS OVERVIEW

November 29th, 2011

Eric Hall & Associates LLC



Presentation Overview

- ◇ Audit Purpose & Government Standards
- ◇ EH&A Qualifications
- ◇ Audit Objectives & Methodology
- ◇ Audit Status & Timeline

Audit Purpose

- ◇ Prop 39 Requirement for Fiscal Year 2010-2011
- ◇ Comprehensive Look at Bond Program to Date

GAGAS Compliant Audit

- ◇ GAGAS: “Generally Accepted Government Accounting Standards”
- ◇ Federal Standards Adopted by the State Legislature for Proposition 39 Bond Programs
 - **Ensure a higher level of accountability**
 - **Encourage more comprehensive audits**
 - **Encourage program improvement**

Qualifications of Eric Hall & Associates

- ◇ Fiscal Management Expertise
- ◇ Construction Program Management Expertise

13 Audit Objectives

- 1-Program Management Plan
- 2-Design & Construction Timelines
- 3-Project Budgets
- 4-Best Practices & Technology
- 5-Payment Procedures and Processing
- 6-CM Structure, Staffing & Fees
- 7-Change Order Management

13 Audit Objectives

8-Performance Based on Delivery Method

9-Procurement Practices & Public Contract
Code Compliance

10-Public Outreach & Communication

11-Overall Transparency & Website

12-Labor Compliance Program

13-CBOC Performance

Audit Methodology

- ◇ Dynamic Process

- ◇ Three Broad Categories

 - **Cost Performance Measures**

 - **Management Performance Measures**

 - **Communication Performance Measures**

Status to Date

- ◇ All Parties Have Been Cooperative
- ◇ All Requested Materials Have Been Provided
- ◇ Summary Cost Documentation Obtained
- ◇ On-going Review of Documentation
- ◇ Principals Survey to be Distributed This Week
- ◇ Interviews-List has grown from 6 to 11
 - **Multiple Interviews With Some**
 - **Approximately 1 Dozen to Date**

Deliverables & Timeline

◇ On-going Document Review, Interviews, Survey, Analysis	December
◇ Draft Report & Findings	Early January
◇ District Response	Mid January
◇ Final Report	Late January
◇ CBOC & Board Presentations	February
	(per your schedules)

Summary

- ◇ GAGAS Compliant Audit
- ◇ Sound Objectives
- ◇ Confidant of our Methodology
- ◇ Progressing Smoothly for Completion in January
- ◇ Honored to Recommend Program Improvements