

AUDIT PLAN FY 2016-17 Status as of December 31, 2016

1. DESIGN REFINEMENT PROCESS - **IN PROGRESS**

Scope: Assess the economy and efficiency of the design refinement process.

Estimated Resources: 1,000 hours

Estimated completion: Winter 2017

2. THIRD PARTY ESTIMATING – **IN PROGRESS**

Scope: Evaluate current estimating practices for third party utility relocation costs.

Estimated Resources: 900 hours

Estimated completion: Winter 2017

3. RIGHT-OF-WAY CRITICAL PARCEL ACQUISITION – **IN PROGRESS**

Scope: Evaluate existing practices for prioritization of acquiring right-of-way parcels.

Estimated Resources: 800 hours

Estimated completion: Spring 2017

4. PROJECT CONTROLS

Scope: Determine if the processes and procedures related to project controls are adequate to ensure cost, schedule, and scope are managed.

Estimated Resources: 1,000 hours

Estimated completion: Spring 2017

5. RECORDS MANAGEMENT

Scope: Evaluate the efficiency and effectiveness of records management, including roles and responsibilities, document storage, and compliance with records management policies and practices.

Estimated Resources: 1,000 hours

Estimated completion: Spring 2017

6. HUMAN RESOURCES

Scope: Evaluate economy and efficiency of hiring process.

Estimated Resources: 700 hours

Estimated completion: Summer 2017

7. INCURRED COST CONTRACT AUDITS – **IN PROGRESS**

Scope: Determine reasonableness and allowability of costs reimbursed under contract. Procedures will include interviews of Authority and consultant staff, obtaining technical expertise as necessary, to assess compliance with contract terms, and reasonableness and allowability of reimbursed costs. Contracts will be selected based on risk factors of dollar value, number of contracts, and management requests.

Estimated Resources: 7,175 hours

Estimated completion: Summer 2017

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8. PREAWARD REVIEWS OF CONTRACTS AWARDED BY REQUEST FOR QUALIFICATIONS

Scope: Determine reasonableness of proposed cost elements (labor, overhead, other direct costs) for Geotechnical Services, Station Design, Project and Construction Manager Rail Infrastructure, and Project and Construction Manager for civil works. Attestation procedures will include obtaining most current information and analysis of actual costs compared to proposed amounts.

Estimated Resources: 2,560 hours

Estimated completion: Ongoing as proposals are received.

Completed Right of Way Engineering and Survey Support August 12, 2016 and Geotechnical Site Investigation Services September 16, 2016.

9. DRAFT AGREEMENT REVIEW - ONGOING

Scope: Review draft contracts for applicable fiscal provisions. Review scope of work in contract to determine if scope is auditable, specifically if clearly defined with deliverables and due dates. Cost proposal is reviewed to assure it doesn't contradict the scope or method of payment.

Estimated Resources: 200 hours

Estimated completion: Ongoing as contracts are executed.

10. AUDIT LIAISON - ONGOING

Scope: Audit liaison for external auditors (Bureau of State Audits, Department of Finance, Government Accountability Office, etc.).

Estimated Resources: 100 hours

Estimated completion: Spring 2017

California State Auditor and their contracted staff are performing the financial and compliance audits as required under the Single Audit Act.

11. CONTRACT MANAGEMENT FOLLOW UP

Scope: Determine if issues previously reported have been corrected.

Estimated Resources: 800 hours

Estimated completion: Summer 2017

12. BOARD OF DIRECTORS TRAVEL EXPENSE REVIEW (IN PROGRESS)

Scope: Review travel expense claims for Board of Directors for compliance with travel rules and policies.

Estimated Resources: 80 hours

Estimated completion: Summer 2017

13. INFORMATION TECHNOLOGY GENERAL CONTROLS

Scope: Evaluate the adequacy of and the compliance with information technology system general internal controls.

Estimated Resources: 1,000 hours

Estimated completion: To be determined

14. SPECIAL REQUESTS

Scope: Hours reserved for audits requested by the Board or management throughout the fiscal year.

Estimated Resources: 850 hours

Estimated completion: As needed/requested

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Note: Priorities 1 through 10 can be completed with existing staffing. Remaining audits will be completed as vacancies are filled.

December update – Two vacancies remain. Workload will be assessed in the Spring to determine which audits can be completed this fiscal year.