

**Audit Office  
Finding Summary**

**Fiscal Year 17/18**

<b>Audit No.</b>	<b>Title</b>	<b>Finding</b>	<b>Finding</b>	<b>Risk (1 to 5)</b>	<b>Addressed /Corrected</b>
15-07	Project Construction Management Materials Oversight	1	Authority has not held PCM accountable for implementing all its QAP	2	Addressed
		2	Authority has not required PCM to produce plan for DB monitoring	2	Addressed
		3	Authority has not approved FY 16/17 work plan	1	Addressed
HSR 15-129	Right-of-Way Engineering and Survey Support Services	1	Proposed hourly rates unsupported	1	Corrected
		2	Proposed hourly rate overstated	1	Corrected
		3	Proposed hourly rates unsupported compared to union rates	1	Corrected
		4	Proposed classification ranges misstated	1	Corrected
		5	Proposed indirect rates misstated	1	Corrected
		6	Proposed combined indirect cost rate in error	1	Corrected
		7	Other direct costs not proposed at actual	1	Corrected
		8	Overtime indirect rate not supported	1	Corrected
		9	Fee in excess of 10% proposed	1	Corrected
16-02	Third Party Estimating	1	Better estimates possible with more detailed quantities	2	Addressed
		2	Provisional sum estimating process not routinely validated	1	Addressed

**Fiscal Year 16/17**

<b>Audit No.</b>	<b>Title</b>	<b>Finding</b>	<b>Finding</b>	<b>Risk (1 to 5)</b>	<b>Addressed /Corrected</b>
15-03	HSR 06-0001 Program Management Services	1	Independent contractor costs overbilled by \$718,079	1	Corrected
		2	Indirect costs overbilled by \$247,553	1	Corrected
		3	Fully burdened labor costs overbilled by \$107,927	1	Corrected
		4	Direct labor costs overbilled by \$49,016	1	Corrected
		5	Other direct costs overbilled by \$61,452	1	Corrected
		6	Fees related to overbilling of direct labor and indirect costs \$22,664	1	Corrected
15-06	Design-Build Oversight		No findings reported		N/A
15-10	Third Party Agreements	1	Contract Mgr couldn't determine if invoiced for actual/necessary	3	Addressed
		2	Contract Mgr not performing independent verification of activities	2	Addressed
HSR 15-129	Right-of-Way Engineering and Survey Support Services	1	Classification rates unsupported	1	Corrected
		2	Indirect cost rates misstated	2	Corrected
		3	Other direct cost rates not at actual or State Travel guidelines	1	Corrected
15-04	Year-End Close Fiscal Year 2014/15	A	No budgetary plan for encumbrances.	3	Addressed
		B	Year-end revision/correction entries had no description of error	2	Addressed
		C	Error identification process not systematic	2	Addressed
		D	Not all accounts reconciled	1	Addressed
		E	Policy/procedural manuals not available	1	Addressed
		F	Revolving fund not reconciled within 30 days, as required	1	Addressed
		G	Reconciliations missing supporting documentation	1	Addressed
		H	Accounts payable outstanding eight months after year end	1	Addressed
		I	Employee accounts receivable not actively being collected	1	Addressed
		J	Year-end work plan was not customized for the Authority	1	Addressed
		K	No documented methodology for GAAP adjustment	1	Addressed

Fiscal Year 16/17

Audit No.	Title	Finding	Finding	Risk (1 to 5)	Addressed /Corrected
15-172	Geotechnical Site Investigation Services	1	Subconsultants could not support loaded hourly rate	2	Addressed
		2	Subconsultants actual hourly rates not proposed	2	Addressed
		3	Subconsultants hourly billing rates identified	1	Addressed
		4	Independent consultant proposed as employee	1	Addressed
		5	Incorrect prevailing wage determination proposed	1	Addressed
		6	Indirect cost rates identified	1	Addressed
		7	Indirect cost rates unsupported	1	Addressed
		8	Other direct costs proposed not supported	1	Addressed
		9	Other direct costs did not conform to State Travel guidelines	1	Addressed
		10	Four subconsultants did not provide documentation	1	Addressed
15-08	Valley Fever Mitigation and Oversight		No findings reported		N/A
15-09	Procurement Follow-Up	1	Corrective actions implemented, but purchases remain untimely	2	Addressed
HSR 15-01	Project and Construction Management CP 4	1	Proposed hourly rates were misstated.	2	Corrected
		2	Classification rates/ranges misstated	1	Corrected
		3	Hourly rates unsupported	1	Corrected
		4	Overhead rates misstated	2	Corrected
		5	Overhead rates unsupported	2	Corrected
		6	Billing rates proposed	1	Corrected
		7	Other direct cost rates misstated	2	Corrected
		8	Other direct cost unsupported	1	Corrected
		9	Other direct costs did not conform to State Travel guidelines	1	Corrected
		10	Other direct costs proposed not necessary for contract	1	Corrected
		11	Replacement employee identified	1	Corrected

Legend	
<b>Risk 1</b>	Low risk, however deserves attention.
<b>Risk 2</b>	Medium-Low risk,
<b>Risk 3</b>	Medium risk, requires attention.
<b>Risk 4</b>	High risk, requires immediate attention.
<b>Risk 5</b>	Authority at risk of violating law.