



District Responses to Proposition O Performance Audit

2014/2015

May 4, 2016

The Sweetwater Union High School District (SUHSD) Proposition O Bond was reviewed according to the specifications issued for review for the 2014-15 school year, and extended by mutual agreement through December of 2015. The District concurs with the findings in the Performance Audit and staff has developed the following action plan in order to implement the recommendations, as identified below.

Issue	Action	Progress/Notes	Target Completion Date
Objective 3. District Labor Charges.	Identification of labor charges (p. 2, p. 13).	As of March, 2016, district staff working on Proposition (Prop) O projects began submitting time certification forms.	Complete.
Agreement with Facilities Joint Powers Authority (SDCOE).	Follow up with Agreement with the Facilities Joint Powers Authority (working with staff at the San Diego County Office of Education (p. 2).	This is paid for by General Fund Revenues and is not subject to Prop. O.	Complete.
Objective 6. Staffing Plan.	Update staffing plan that correlates staffing to the needs of the Bond Program (p. 2, p. 15).	Director of Planning and Construction to develop methodology.	December 2016.
Objective 8. Design and Construction Schedule Cash Flow Analysis.	Develop a Revenues and Expenditures Cash Flow Analysis (p. 3, p. 16, p. 17)	Director of Planning and Construction will work with the Financial Services Division, as well as with the District's Financial Advisor to develop this analysis.	October 2016.
Objective 9. Updated cost reporting.	Revise design and construction management practices to include the following metrics:	Staff has identified and secured new Account-Ability software system to allow for financial monitoring and reporting of Bond Program, to include the identified	September 2016.

Issue	Action	Progress/Notes	Target Completion Date
	<ul style="list-style-type: none"> - Financial performance relative to adopted budget. - Budget-to-Actual Report - Budget to Projected Expenditure Report - Schedule of value variances report (p. 18).	actions. Director of Planning and Construction will oversee development of updated reports for the CBOC and Board of Trustees.	
Objective 15. District standards.	Revise District Standard Specifications (p. 3-4, p. 20).	District Architect will work with the Maintenance and Planning and Construction Departments to revise and update district standards.	August 31: Draft complete. Early September: 1 st Reading by Board of Trustees. Late September: 2 nd Reading and adoption by Board of Trustees.
Objective 15. Cost Benefit analysis.	Create a cost benefit analysis system to evaluate any proposed changes to the District Standards.	District Architect will develop after completion of the District Standards.	December 31, 2016
Objective 11. Change Order Procedures.	Revise change order reporting to include a description of the cause for the change order (p. 4, p. 18).	Coordinate among Financial Services and Planning and Construction. Director of Planning and Construction will create a documentation and reporting process to capture: <ul style="list-style-type: none"> • Purpose of district initiated change orders • Cost justification of district initiated change orders • Costs analysis of change order vs. bidding 	July 1, 2016. (note: These details are provided for change order items on the board agenda. The information will be added to the monthly CBOC as a supplement to the project updates as change orders occur.)

Issue	Action	Progress/Notes	Target Completion Date
		<ul style="list-style-type: none"> Management rationale for approving the change order 	
Objective 12. Claim Avoidance.	Consideration of policy adoption to avoid future claims (p. 4, p. 19).	Director of Planning and Construction will develop claims avoidance policies and procedures.	April 1, 2017
Objective 17. Communications.	Revise communications processes to update stakeholders of Bond Project Updates (p. 4, p. 21).	Work with the District's Grants and Communications Office.	August 1, 2016.
Objective 17. Communications – Master Plan	Update the Master Plan priorities (p. 21)	The master plan priorities were adopted by the Board of Trustees on March 14, 2016.	March 14, 2016 (Complete).
Objective 17. Communications – Separate Prop O funding on reports	Separate Prop O from other funds on the Capital Facilities Financing Plan and other reports.	See Objective 9.	
Objective 17. Communications – 3500s	Clearly document the 3500 process when it generates changes to any Prop O project	Director of Planning and Construction will complete the 3500 prioritization process.	June, 2016 (note: The prioritization is complete. Staff is now assessing funding availability for the highest priority projects.)
Objective 20b. Cost Benefit and Value Engineering Analysis	Consideration of Cost-Benefit (Life-Cycle) Analysis and value-engineering (p. 4, p 26, Appendix B).	Director of Planning and Construction will develop processes for cost benefit analysis and value engineering for projects.	October 1, 2016.
Objective 20d. Maintenance	Develop/Revise construction asset list for Warranty Purposes (p. 4).	Coordinate between and among Planning and Construction/Maintenance/Site Level Staff.	Ongoing. Revised process memo to Board by October 1, 2016.