

Report 2018-108 All Recommendation Responses

Report 2018-108: California High-Speed Rail Authority: Its Flawed Decision Making and Poor Contract Management Have Contributed to Billions in Cost Overruns and Delays in the System's Construction (Release Date: November 2018)

Recommendation #1 To: High-Speed Rail Authority, California

To ensure that the change orders it approves are necessary and that their costs are appropriate, the Authority should adhere to the guidance and estimates the oversight firms provide to it. If the Authority chooses to deviate from the oversight firms' recommendations, it should clearly document why it made those deviations.

60-Day Agency Response

The Authority revised the Business Oversight Committee charter to require documentation when a governance committee overrules the PCM's recommendation. The revised Business Oversight Committee charter has been approved.

The Business Case, which is the document that is prepared for requesting a change to the Baseline or a proposed change order that requires approval by the Business Oversight Committee, has been updated to document the PCM's recommendation and cost estimates along with an explanation of any deviations. The Business Case has been implemented.

- **Completion Date:** January 2019
- **Response Date:** January 2019

California State Auditor's Assessment of 60-Day Status: Partially Implemented

The Authority provided the revised Business Oversight Committee charter, which states that the committee is to ensure that the Authority adheres to the oversight firms' guidance and should clearly document the reasons for any deviation from those recommendations. However, the Authority told us that it has not yet used the new change order proposal document for a case wherein the proposed change deviates from the oversight firm recommendation. Therefore, we are not yet able to determine that the Authority is adhering to this new requirement. Once we are able to review instances in which the Authority has appropriately justified deviations from oversight firm recommendations, we will be able to conclude that this recommendation has been fully implemented.

Recommendation #2 To: High-Speed Rail Authority, California

Before executing its next construction contract, the Authority should establish formal prerequisites for beginning construction to prevent avoidable cost overruns and project delays. At a minimum, these prerequisites should identify specific benchmarks related to land acquisition, utility agreements and relocations, and agreements with external stakeholders, including impacted local governments and other railroad operators.

60-Day Agency Response

The Authority developed draft Baseline project work plans composed of discretely defined tasks. These tasks are linked together based on project delivery sequencing. Work plans are a tool to identify critical junctures and project milestones, or benchmarks including land acquisition, utility agreements and relocations, and agreements with external stakeholders, which will be used to make recommendations to the Business Oversight Committee and Project Delivery Committee - and then to the Board -- prior to execution of future construction contracts. The draft work plans are being circulated for review.

- **Estimated Completion Date:** February 2019
- **Response Date:** January 2019

California State Auditor's Assessment of 60-Day Status: Pending

The Authority provided a schedule for an upcoming system segment that included the same types of sequencing analyses we reviewed during our audit and which we discuss on pages 30 and 31 of the audit report. The draft documents also included benchmark figures for some but not all portions of the segment, and some but not all of the issue areas we identify in our response. Further, it is not yet clear what analyses the Authority conducted to arrive at these specific benchmarks. When the Authority claims full implementation, we will be looking for evidence of relevant and complete risk assessments for all applicable benchmarks the Authority has set. We will also look for documentation in Authority policy that it is committed to meeting those prerequisite benchmarks before executing its next construction contract.

Recommendation #3 To: High-Speed Rail Authority, California

To better position itself to complete the three Central Valley projects by the December 2022 federal grant deadline, the Authority should improve its monitoring and evaluation of the oversight firms' risk assessment processes and should take steps to ensure that these processes are consistent across the three projects by May 2019.

60-Day Agency Response

The Authority has hired additional risk management personnel to oversee the Central Valley design-build construction projects. Also, the Authority is advancing its Cost-Risk Evaluation of these projects ensuring risk management and mitigation, and estimate-to-completion consistency, across the three construction projects.

The Authority is enforcing all policies and procedures related to PCM oversight. The PCM Manual is being revised to be more explicit on risk management. The revised draft PCM Manual is currently circulating for review and comment.

The Program Controls Manual is being updated to include a risk management section and will be circulated for review and comment.

- **Estimated Completion Date:** April 2019
- **Response Date:** January 2019

California State Auditor's Assessment of 60-Day Status: Pending

Because oversight firms already played a significant role in the risk management process at the time of our audit, this recommendation focuses on the need to improve the Authority's monitoring and evaluation to ensure the quality of the oversight firms' performance in this area. The Authority provided draft procedures for

conducting oversight firm evaluations, as well as an example evaluation form. We reviewed completed versions of these evaluation forms during our audit and determined that the Authority should take steps to ensure their consistency across the three oversight firm contracts, which it has not yet demonstrated. We will be looking for further evidence that the Authority has taken these steps, as well as the other improvements the Authority mentions in its response, when the Authority reports full implementation of this recommendation.

Recommendation #4 To: High-Speed Rail Authority, California

To enable policymakers and the public to track the Authority's progress toward meeting the federal grant deadline of December 2022, the Authority should, by January 2019, begin providing quarterly updates to the Legislature detailing the progress of the three Central Valley construction projects using an earned value model that compares construction progress to the projected total completion cost and date. The Authority should base these updates on the most current estimates available.

60-Day Agency Response

Using information from the monthly PDSR, and in consultation with the Peer Review Group, the Authority developed a Quarterly ARRA Status Report - including earned value, cost variance and schedule performance index. Additionally, to avoid confusion and redundancy, this new Quarterly Program Status Report incorporates elements of the biannual Peer Review Group report which will therefore be superseded by this new quarterly status report. The Quarterly ARRA Status Report includes detailed information on the progress of the three Central Valley construction projects. The Authority will post the new Quarterly ARRA Status Report to its website making it available to the public and the Legislature by the end of January 2019.

- **Estimated Completion Date:** April 2019
- **Response Date:** January 2019

California State Auditor's Assessment of 60-Day Status: Partially Implemented

A report provided by the Authority on January 31, 2019 includes point-in-time information about the progress of the construction projects in the Central Valley, using components of an earned value model. However, the model on page 16 of the report, which is intended to demonstrate the Authority's progress toward meeting the federal grant deadline, is based on data from June 2018, and therefore does not represent an update to the analysis we provided in our audit report. Similarly, the report uses the Authority's June 2018 baseline budget as the measure of total expected costs for the projects, even though the report also lists "risks that may affect schedule and cost." Our recommendation is that the Authority should base its update reports on the most current estimates available. Therefore, going forward, we expect the Authority to base its model on more up-to-date information about actual progress, as well as its best, most recent estimate of project costs to the extent that those estimates diverge from the current baseline. Additionally, to allow policymakers to track progress over time, the Authority's future reporting should also depict historical costs and performance in order to demonstrate whether progress is accelerating or decelerating as the Authority approaches the federal grant deadline of December 2022.

Recommendation #5 To: High-Speed Rail Authority, California

To ensure that it is adequately prepared if it is unable to meet the federal grant deadline of December 2022, the Authority should, by May 2019, develop a contingency plan for responding to such a scenario.

60-Day Agency Response

The Authority continues to routinely update the individual project risk registers in coordination with the FRA on a quarterly basis. In doing so, the Authority has established project controls allowing construction performance monitoring to achieve the federal grant deadline. If, by July 2019, progress in the Central Valley is not tracking to the "Get to Work plans", the Authority will consult with FRA to evaluate options and the possibility of seeking an amendment to the federal grant deadline. Monitoring Central Valley construction from present to July 2019 will allow 2019 construction to fully initiate to evaluate progress against planned project schedule milestones.

- **Estimated Completion Date:** May 2019
- **Response Date:** January 2019

California State Auditor's Assessment of 60-Day Status: Pending

The Authority's response states that it continues to take steps to improve the likelihood that it will meet the federal grant deadline of December 2022. However, as we discuss on pages 32-33 of our audit report, meeting the federal deadline will require significant increases in the rate of construction progress in the Central Valley. As such, to ensure it is prepared if it is unable to meet the federal grant deadline, the Authority should as soon as possible, and by May 2019, develop a contingency plan.

Recommendation #6 To: High-Speed Rail Authority, California

To improve its contract management, increase accountability, and justify the significant amount it pays for contracted services, the Authority should, by May 2019, prioritize contract management efforts and reduce the frequency with which contract management responsibilities shift among Authority staff by establishing a formal process for hiring and assigning full-time, experienced contract managers. These contract managers should have duty statements reflecting their contract oversight responsibilities, and they should report to supervisors who understand those responsibilities and have extensive knowledge about the contracts' deliverables. In addition, those supervisors' duty statements should clearly lay out their responsibility for addressing any contract manager noncompliance with the Authority's contract management policies and procedures, whether reported by CMSU or identified by another means.

60-Day Agency Response

The Authority has drafted a formal process for hiring and assigning full-time experienced contract managers to reduce the frequency with which contract management responsibilities shift among Authority staff. This formal process emphasizes contract management experience/skills as well as desirable contract manager qualifications. The draft contract manager hiring process is circulating for comment and finalization.

All new advertised positions that require contract management specific skills are specified within the duty statement. The Human Resources Office will review all job advertisements to assure compliance with the formal process. Furthermore, the Authority will denote contract management positions on the organization chart. The updated organization chart is being circulated for comment and finalization.

All existing duty statements have been reviewed and modified to reflect contract management/oversight responsibilities for all contract managers and their supervisors. Contract manager supervisors' duty statements address their responsibility to hold their contract management staff accountable for compliance with the Authority's contract management policies and procedures. Revised duty statements are being circulated for comment and finalization.

Contract manager supervisors will attend contract management training to ensure that the contract managers they supervise are adhering to the Authority's policies and procedures. The Authority will create a separate contract management training specifically for supervisors by January 2019.

- **Estimated Completion Date:** May 2019
- **Response Date:** January 2019

California State Auditor's Assessment of 60-Day Status: Partially Implemented

Authority provided draft documentation related to the required duties and qualifications of contract managers, as well as formal processes for transferring responsibility for contracts among contract managers. It also provided draft training materials for staff that supervise contract managers. To fully implement this recommendation, the Authority must finalize its hiring process, assign contract managers official positions on its organizational chart, adjust reporting relationships as needed, and provide and document relevant training for supervisors.

Recommendation #7 To: High-Speed Rail Authority, California

To improve its contract management, increase accountability, and justify the significant amount it pays for contracted services, the Authority should, by May 2019, require CMSU to establish a schedule to monitor individual contract manager compliance and report annually the results of this monitoring to Authority executive leadership. To help ensure the integrity of its oversight role, CMSU should be composed of state staff in place of RDP consultants.

60-Day Agency Response

The Authority has developed a schedule to perform assessments of contract managers' compliance with all contracts which will be completed by November 2019. The first 23 such assessments were completed through December 2018. An executive report will be prepared no less than annually. The assessments are performed by RDP staff with state staff oversight, as well as review and approval of the completed assessment.

The Authority concurs that CMSU should be composed primarily of state staff. The Authority has temporarily transferred internal state personnel to augment the CMSU and drafted an interim staff augmentation request to sister departments. The draft request is being circulated for coordination and review. In the interim, any assessments performed by contracted RDP staff will be reviewed and approved by state staff.

A Budget Change Proposal Concept for the 2020/21 fiscal year to request staff augmentation in order to remove contracted RDP consultants and replace with state staff is currently being prepared.

- **Estimated Completion Date:** November 2019
- **Response Date:** January 2019

California State Auditor's Assessment of 60-Day Status: Pending

The Authority provided a schedule indicating that it planned completion of the contract manager assessment process by December 2019. It did not provide results of the assessments its response indicates the Authority has already completed, but indicates that it will report on those results to its executives annually. The Authority also did not provide details about its staff augmentation request or Budget Change Proposal. As we emphasized on page 85 of our audit report, we believe the Authority should move to secure professional state staff for contract management oversight positions sooner than fiscal year 2020-21.

Recommendation #8 To: High-Speed Rail Authority, California

To improve its contract management, increase accountability, and justify the significant amount it pays for contracted services, the Authority should, by May 2019, hold contract managers accountable for performing the duties that the Authority's policies assign to them. Specifically, CMSU and, to the extent necessary, contract managers' supervisors should require and review evidence from contract managers demonstrating their approval of deliverables, detection and resolution of contractor performance issues, and assessment of contract amendments for merit. The Authority should not accept observations and reports from its contractors or the RDP consultants in place of this evidence.

60-Day Agency Response

As of December 31, 2018, the CMSU has completed 23 assessments of contract managers' performance and the remainder are scheduled. These assessments are following a formal process requiring and reviewing evidence from contract managers demonstrating their approval of deliverables, detection and resolution of contractor performance issues, and assessment of contract amendments. Once an assessment is issued, it will be tracked to closure/resolution to verify the implementation of any required corrective action. Corrective actions will be tracked by the Quality team and reported to executive management.

- **Estimated Completion Date:** November 2019
- **Response Date:** January 2019

California State Auditor's Assessment of 60-Day Status: Pending

This recommendation pertains to the ongoing evaluation of contract managers' compliance with Authority policies and procedures. The Authority provided a draft document summarizing the process by which ongoing evaluations will take place. The document states that a compliance assessment schedule will be developed and will include assessments of each contract and each contract manager within the assessment period, which it indicates is at least once every calendar year. Although the Authority indicates it has completed 23 assessments, it has not provided documentation of those assessments. As part of our assessing this recommendation's implementation, we will review the schedule, assessment tools used, as well as the results of actual assessments. In doing so, we will look for involvement on the part of contract managers' supervisors, such as reviewing evidence from contract managers demonstrating their approval of deliverables, detection and resolution of contractor performance issues, and assessment of contract amendments for merit.

Recommendation #9 To: High-Speed Rail Authority, California

To prevent the inappropriate use of contractors to perform state functions, the Authority should develop procedures by May 2019 for evaluating whether new and existing administrative duties should be assigned to contractors or to state employees.

60-Day Agency Response

The Authority's Administration Office has drafted procedures for evaluating whether new or existing administrative duties should be assigned to contractors or to state employees based on Government Code 19130. The draft procedures are being circulated for review and comment.

- **Estimated Completion Date:** May 2019
- **Response Date:** January 2019

California State Auditor's Assessment of 60-Day Status: Partially Implemented

The Authority provided draft language it intends to include in its hiring manual which requires that contract managers of personal services contracts must ensure compliance with state law regarding the use of state employees. It also provided a draft form that contract managers must complete to certify that the use of outside consultants is appropriate. Going forward, as part of determining whether the Authority has fully implemented this recommendation, we will be looking for additional assurance that the drafted language is suitably broad to cover all relevant contracted duties, as well as that the Authority has instituted an effective process for reviewing contract managers' determinations.

Recommendation #10 To: High-Speed Rail Authority, California

To ensure that contract managers' invoice reviews are complete and that invoiced costs are allowable under contract terms, the Authority should amend its applicable procedures by May 2019 to require contract managers to document their review of invoiced rates and expenses.

60-Day Agency Response

The draft revision of procedures referenced in the initial response will be initiated in January and then circulated for comment and finalization.

- **Estimated Completion Date:** May 2019
- **Response Date:** January 2019

California State Auditor's Assessment of 60-Day Status: Pending

The Authority provided a draft of the revisions to its existing procedures related to invoice review. However, these revisions are not responsive to the recommendation that the Authority require contract managers to actively document their reviews of invoice materials. When we shared our concerns with the Authority, it responded that it would take our comments into consideration when performing further reviews of the procedures.

Recommendation #11 To: High-Speed Rail Authority, California

To ensure the consistency and effectiveness of its efforts to monitor the performance of the oversight firms with which it contracts, the Authority should develop a formal methodology by May 2019 for using the performance evaluation tool it has implemented. This methodology should include procedures for assessing the sufficiency of the oversight firms' review and approval of invoices for construction contracts.

60-Day Agency Response

The Authority has developed a specific policy and procedure that provides consistent guidance to contract managers, including an enhanced performance-based evaluation dashboard for its PCM firms. This is currently in draft form and will be completed and implemented by May 2019. Once completed, the existing policy and procedure (POLI-FIS-034 and PROC-FIS-034) will be revised to reference the newly adopted policy and procedure. The Contract Performance Monitoring and Reporting Policy POLI-FIS-034 and Procedure PROC-FIS-034 are being revised to document this formal methodology. The draft revision is being circulated for comment and finalization.

In addition to the Authority's PCM Manual, a PCM Contract Management Manual, that includes the PCM's processes and roles and responsibilities for evaluating design-builder invoices has been developed. The Authority's contract manager and quality team for each Construction Project evaluates the PCMs for compliance with this process. Authority Contract Managers check this each month as part of their final invoice approval.

- **Estimated Completion Date:** May 2019
- **Response Date:** January 2019

California State Auditor's Assessment of 60-Day Status: Pending

The Authority provided the draft language for the revision to its oversight firm manual, which states that the Authority is committed to providing a consistent method and process for evaluating the oversight firms' performance. However, the Authority did not provide any of the guidance for contract managers that it describes having developed in its response, nor any accompanying policy revisions. As part of our future evaluation of the status of this recommendation, we will expect to review those documents as well as additional evidence that the Authority's contract managers are using the methodology and that the methodology accounts for the oversight firms' reviews of construction invoices.

Recommendation #12 To: High-Speed Rail Authority, California

To ensure that the oversight firms' spending is reasonable, the Authority should develop a formal process by May 2019 for tracking any out-of-scope work that the oversight firms perform. To reduce the likelihood that its contracts with the oversight firms run out of funds prematurely as a result of this additional work, the Authority should also develop a formal process for amending the oversight firms' contracts contemporaneously to change orders that significantly extend the timelines or increase the scope of work of the construction contracts that oversight firms oversee.

60-Day Agency Response

The Authority revised the PCM Manual to reflect their responsibility to identify, manage and request amendments for out-of-scope work. This revision assigns the Authority PCM contract managers' responsibility for tracking and identifying any potential out-of-scope work and the necessity to amend contracts at each PCM work plan revision and approval. The draft revision is being circulated for comment and finalization.

The Business Oversight Committee is providing oversight of the necessity and business case to amend PCM contracts. The Program Delivery Committee is focusing on key construction milestone timely achievement and decision-points, including when, or if, PCM contracts require amendment.

- **Estimated Completion Date:** May 2019
- **Response Date:** January 2019

California State Auditor's Assessment of 60-Day Status: Partially Implemented

The Authority provided draft language for revisions to its contract manual for oversight firms that summarizes the process for identifying the impacts to contracts for out-of-scope work and corresponding requests for amendments. As part of our future review of this recommendation's implementation status, we will be looking for procedures related to the timeliness of this process, which is a key element of the recommendation. Additionally, the Authority states that the Business Oversight Committee (committee) is providing oversight of amendments for these contracts. However, as we discuss in the audit report, although the committee has been in place since September 2017, we identified concerns with an oversight contract amendment approved by the

committee in March 2018. It is not entirely clear from the Authority's response specifically how the committee's current role is related to the Authority's efforts to fully implement this recommendation. Therefore, in its future responses, it is important for the Authority to specify the role of the committee in fully implementing the recommendation and to provide documentation demonstrating its role in effective implementation.

Recommendation #13 To: High-Speed Rail Authority, California

To help improve the effectiveness of its sustainability policy, the Authority should revise the policy by May 2019 to more clearly differentiate between the construction and operation phases of the high-speed rail system. Further, it should ensure that each objective in each section of the policy is associated with quantifiable metrics for evaluating implementation.

60-Day Agency Response

The Authority has begun review and revision of its Sustainability Policy. In tune with Authority governance, the Project Delivery Committee was notified of the requirement to revise its Sustainability Policy to more clearly differentiate between construction and operations. A formal business case will be submitted to the Project Delivery Committee in January 2019.

As an interim step, the Authority has revised the implementation plan to match each existing policy objective with a quantitative metric, posted on our website as noted above. The implementation plan will be revised subsequent to the policy revision.

- **Estimated Completion Date:** May 2019
- **Response Date:** January 2019

California State Auditor's Assessment of 60-Day Status: Partially Implemented

The Authority shared draft revisions to its sustainability policy that include additional differentiation between the construction and operations phases of the system with respect to the policy's objectives. Going forward, we will monitor the finalization and adoption of these revisions, as well as ensure the Authority has developed quantitative metrics for each; as we explain in our audit report, we expect the Authority to revisit its most recent revisions to the metrics in its implementation plan, which the Authority notes in its response, once the revisions to the policy are in place.

Recommendation #14 To: High-Speed Rail Authority, California

To allow it to evaluate the sustainability of the high-speed rail system's construction, the Authority should, by May 2019, perform and document a review of its compliance with its existing quality controls related to ensuring the validity and completeness of contractor-reported data. The Authority should also establish a formal process to perform such reviews periodically.

60-Day Agency Response

The Authority has continued its continuous quality review of contractor submittals. The Authority has drafted a quality assurance process that details how periodic reviews of its compliance with the quality controls related to validity and completeness of contractor-reported data should be conducted. The draft is being circulated for review and comment.

Quality team resources have been requested to perform an initial quality assurance (estimated for 1st quarter 2019) and will be scheduled periodically to verify that the established controls are functioning as expected.

- **Estimated Completion Date:** May 2019
- **Response Date:** January 2019

California State Auditor's Assessment of 60-Day Status: Partially Implemented

The Authority provided a draft policy stating that it will conduct quarterly reviews related to the validity and completeness of contractor-reported data, which will include periodic field inspection of construction equipment. As the Authority notes in its response, the results of any such reviews are still forthcoming. We will review those results as part of assessing the future implementation of this recommendation.

Recommendation #15 To: High-Speed Rail Authority, California

To help ensure that it meets its sustainability goals, the Authority should comprehensively compare the three construction projects' performances to their construction contractors' original baseline estimates on a quarterly basis. It should perform the first of these comparisons no later than May 2019.

60-Day Agency Response

The Authority has continued with collection of data from all active construction projects. The Authority has assembled reports for each construction package that illustrate the actual air quality and greenhouse gas emissions, water consumed, and diversion rates and weight of construction waste. This report includes comparison of the actuals against estimates for key impact topics for the construction packages. For air quality and greenhouse gas emissions, a projection to construction completion is included as a scenario for total emissions. The reports also include illustration of contractors' required performance for reporting and absolute waste diversion rates. Charts that were available were included in the December program delivery status reports, and future complete quarterly reports will be provided on the Authority sustainability site.

- **Estimated Completion Date:** May 2019
- **Response Date:** January 2019

California State Auditor's Assessment of 60-Day Status: Partially Implemented

The Authority provided draft analyses comparing the three construction projects' emissions of carbon dioxide and other pollutants to construction contractors' original baselines and actual construction progress. As part of assessing the recommendation's status in May, we will revisit these analyses and also determine whether the Authority has begun conducting equivalent analyses for other environmental impacts, such as water use, which we discuss on page 64 of our audit report.

Recommendation #16 To: High-Speed Rail Authority, California

To help ensure that its contractors' proposed environmental impacts are reasonable and to measure the progress of its sustainable construction efforts over time, the Authority should, by November 2019, identify and track standardized measures—such as project miles—that will allow it to compare construction impacts across the high-speed rail system's different construction projects.

60-Day Agency Response

As noted in the Audit response, the Authority has identified and tracked standardized metrics related to construction efforts. The Authority has a model that assesses program environmental impacts using standardized metrics, including tons of CO₂e, kgCO₂e/kg, kgCO₂e/gallon, kgCO₂e/kWh, normalized by miles and construction typology. The Authority has completed an update to this model with the refined project lengths and infrastructure typologies detailed in the adopted 2018 Program Baseline and is carrying out a series of reviews and stress testing of formulas to confirm fidelity. This review and testing involves incorporating relevant, validated data (e.g., tons of CO₂e and environmental product declarations for actual materials installed) tracked on each construction package, among other refinements. As testing is completed, this updated model will be used to support the development of targets for future construction contracts. The model structure can also be used to illustrate and compare different construction contracts.

- **Estimated Completion Date:** November 2019
- **Response Date:** January 2019

California State Auditor's Assessment of 60-Day Status: Partially Implemented

The Authority provided documentation of its efforts to revise its existing model, work it indicates is ongoing. Once the Authority reports that it has completed the process of refining the model to compare construction environmental impacts and set targets for new construction, we will review the final model and any targets the Authority has set.

Recommendation #17 To: High-Speed Rail Authority, California

To increase the transparency of its reporting, the Authority should, by May 2019, expand its quarterly small business, DVBE, and DBE utilization reporting to account for the total value of all its contracts and to identify the reasons it has exempted specific contracts.

60-Day Agency Response

The Small Business Program has collected data related to the total value of all current contracts and contracts that require small business, DVBE, and/or disadvantaged business. They are also working to post the information to the Small Business Program section of the Authority's website.

The Authority is modifying the current annual report to reflect quarterly information. A policy has been drafted that will clearly specify which contracts are exempt from small business, DVBE and/or disadvantaged business according to state and/or federal regulations, policies, and guidelines.

- **Estimated Completion Date:** May 2019
- **Response Date:** January 2019

California State Auditor's Assessment of 60-Day Status: Partially Implemented

The Authority provided a draft of its revised small business, DVBE, and disadvantaged business policies, which specifies which types of contracts are exempt under state guidelines and establishes requirements for excluding any other type of contract from the program's utilization goals. The Authority also provided a draft template it plans to utilize to calculate utilization rates based on total contract value. When the Authority has completed those calculations and updated its reporting to include this additional information, we will evaluate the status of this recommendation to determine whether it is fully implemented.

All Recommendations in 2018-108

Agency responses received are posted verbatim.