

Status Update

BSA Audit of Caltrans COS Program

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September 2011

BSA Audit - Positive Findings

- The organization structure was adequate and appropriate.
- The annual COS budget request process was reasonable.
- Information included in the COS budget request was accurate and adequately supported.

BSA Audit - Positive Findings

- The process for staffing appears adequate.
- Travel reimbursements were appropriate, reasonable and consistent with policy.

Recommendations and Status Update

Incorporate support budget variances in quarterly reports.

Status: **Complete**

2011-12 First Quarter Project Delivery Report has been modified to include support reporting.

Recommendations and Status Update

Caltrans should develop a measurable goal for improving support costs.

Status: **Complete**

2011/12 Goal - 65% of the major programmed projects that achieve CCA during the three previous fiscal years will have support expenditures < 120% of the approved budget.

Recommendations and Status Update

Establish support budgets for all “grandfathered” STIP projects.

Status: **Complete**

- Support budgets have been established
- Biennial reports to the Commission as part of the ITIP

Recommendations and Status Update

Develop a system to track support budgets for splits and combines.

Status: **Complete**

- Project Management Directive 19 was issued on August 9, 2011.
- Longer term solution requires an IT upgrade.

Recommendations and Status Update

Utilize consistent approach to support-to-capital reporting and recalculate past data.

Status: **Complete**

Quarterly Performance Report to BT&H has been modified and data uses consistent methodology.

Recommendations and Status Update

Develop variable support-to-capital goals based on project type and size.

Status: **Under development – Planned completion date is 12-31-11**

Recommendations and Status Update

Develop new performance metric as described in study by the University of California, Davis.

Status: **Under development – Planned completion date is 7-1-12**

Recommendations and Status Update

Direct Project Managers to use workplans when finalizing support budgets prior to construction.

Status: **Complete**

- Project Management Directive 18 with effective date of August 1, 2011.
- Programming Memo dated July 26, 2011

Recommendations and Status Update

Continue to implement the February 2010 "Malcolm memo".

Status: **Complete/on-going**

- Early identification of support overruns
- Requires corrective actions
- Elevates projects that have expended more than 100% of their support budget
- Quarterly delivery VTC's with each district

Recommendations and Status Update

Implement earned value statewide

Status: **Under development – Planned completion date is 12-31-11**

Recommendations and Status Update

Ensure PRSM contains strong controls to ensure proper charging.

Status: **Under further development – pending full implementation of PRSM.**

Improved guidance and reporting tools have been developed and deployed.

Recommendations and Status Update

Commission an independent study on the use of consultants.

Status: **On-going**

- Preliminary Investigation was performed
- Next steps are currently being analyzed

Follow-up Steps

BSA Audit of Caltrans COS Program

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Caltrans Audits and Investigations

September 2011

Audit Objectives

- Adequacy of Corrective Actions
 - Capital Outlay Support Budget Accountability
 - Support to Capital Performance Metrics
 - Capital Outlay Support Management & Monitoring

- Accuracy of Time Charging Practices



California Department of Transportation

