

**2019-2020 INTERNAL AUDIT**

**Focus: Capital Project Expenditures, Proposition I, District-Wide Roofs**

**ACTION PLAN**

| <i>Number</i>                           | <i>Comment</i>  | <i>Response and Implementation Date</i>  |
|---|---|--|
| <b><u>Release of Lien Documents</u></b> |   |  |
| 1                                       | The release of lien documents must be fully completed in order to protect the District from any future claims from workers, suppliers of materials or subcontractors, arising from payment for labor, supplies or materials that were not made by the prime contractor. | <p>In certain instances, the release of lien documents may require additional wording.</p> <p><b><u>Status: Completed, January 2020 and ongoing.</u></b> The District, Architects, and Construction Manager will review future release of lien documents to ensure that they include any necessary additional verbiage. (January 2020)</p>                               |
| 2                                       | Ensure that contract dates agree between the AIA forms and the releases.  | <p>In some instances, the contract date on the AIA form differed from the date on the release forms.</p> <p><b><u>Status: Completed, January 2020 and ongoing.</u></b> For future submissions, the dates on the AIA forms and the release forms will be checked for consistency and accuracy. (January 2020)</p>   |
| <b><u>Certified Payroll Reports</u></b> |   |  |
| 3                                       | Ensure that OSHA cards are provided for all workers listed on the certified payroll reports.  | <p>OSHA cards for all workers on the certified payroll reports should be on file.</p> <p><b><u>Status: Completed, January 2020 and ongoing.</u></b> All outstanding OSHA cards are now on file. The construction manager will ensure that all persons on certified payroll have provided their OSHA cards.</p>   |
| 4                                       | For payment requisitions that include no labor utilized, the certified payroll reports should also include verbiage "no labor utilized" or "no work performed".   | <p>When a payment requisition is received for materials only, the certified payroll report should indicate that no labor was utilized.</p> <p><b><u>Status: Completed, January 2020 and ongoing.</u></b> For future requisitions for materials only, the District will ensure that the certified payroll report indicates that no labor was utilized. (January 2020)</p> |
| 5                                       | Worker's compensation policy dates on the certified payroll reports should be up to date and accurate. They should agree to the coverage the District has secured from the vendor.  | <p><b><u>Status: Completed, January 2020 and ongoing.</u></b> The District has an employee that maintains active insurance policy data and obtains updated policy data in advance of policy expiration dates.</p>  |