

Bond Performance Audit Tracker  
 Status of Performance Audit Recommendations  
 July 29, 2020 - Quarterly Report

2019 Phase 1 Bond Performance Audit Recommendations				
Bond Year	#	Abbreviated Recommendation	Response	Status
2017	1	Develop and consistently apply a formal cost estimation methodology across projects regardless if developed in-house or by external consultants, including documentation of the reasons for any deviations from the established methodology.	Concur	Complete
2017	2	Compare and analyze cost estimate assumptions and factors with historic practices and other comparable bonds or districts to determine whether adjustments to estimation methodology seem warranted.	Concur	Working
2017	3	Establish a central location to retain final estimates at each project phase (master planning, schematic design, design document, construction documents), including any supporting documentation used to develop each estimate.	Concur	Complete
2017	4	Discuss comparison of cost estimation methodology used with past PPS experiences, current market conditions, and estimates developed by peer districts when presenting cost estimates to the Board and public stakeholders.	Concur	Working
2017	5	Categorize the reasons for variances in project costs, and aggregate those changes to the program-level to provide information on why costs varied from original bond, as well as report this information to the Board and public stakeholders.	Concur	Complete
2017	6	Conduct an analysis to determine to what degree various factors, especially scope changes and changes in construction costs, caused an increase in construction costs for the 2017 Bond projects. This could include comparing assumptions used across various project milestone reports and/or reconciling line items amounts to subcontractor bids.	Concur	Complete
2017	7	Analyze results of variances to make adjustments to future estimation models and methodology as well as to analyze whether changes are needed in the delivery of projects to ensure stronger cost containment.	Concur	Complete
2017	8	Ensure project milestone reports use consistent data across all projects and clearly identify deviations.	Concur	Complete

<u>Audit Year</u>	<u>Summary of Recommendations</u>	<u>Percent Completed</u>
2019 Ph I	<b>8</b> Recommendations, <b>6</b> completed	<b>75%</b> Completed

Status Notes on Recommendations Not Completed

2019 Ph I	2	2020 Bond planning efforts for modernization projects (as seen in the 2020 Conceptual Master Plan projects for Jefferson HS, Wilson HS and Cleveland HS) have utilized professional cost estimators for hard costs. These professional cost estimators also provided recommendations for escalation and soft costs. Soft costs have been reviewed against the cost estimating methodology already established by OSM, and have been reviewed against historic performance. Escalation and soft cost assumptions are being reviewed with the Bond Accountability Committee per their revised charter, prior to use for bond planning. Once 2020 Bond planning efforts are complete, this recommendation will be marked as complete.
2019 Ph I	4	Ongoing discussion of cost estimation methodology using past PPS experiences, current market conditions and professional cost estimators is occurring with the Bond Accountability Committee and Board members as part of 2020 Bond planning efforts. Once 2020 Bond planning efforts are complete, this recommendation will be marked as complete.