

MEMORANDUM

Date: June 10, 2014
To: Members of the Board of Education
From: Bond Accountability Committee (BAC)
Subject: Bond Program Performance Audit #1

The BAC has reviewed Performance Audit #1 and has been briefed on the audit recommendations along with the District's Management Response.

A requirement for annual independent performance audits reflects the District's commitment to transparency and accountability. We applaud the thoroughness of the audit process, and the thoughtful nature of the recommendations. We are pleased to see and agree with the auditors' conclusion that the management and implementation of the bond program is off to a strong start.

Several of the audit recommendations concern issues that the BAC has also addressed, and many have been or are being implemented by the District. We view the recommendations as program enhancements and believe that they will further promote delivery of quality, cost-effective and timely work. We find the District's responses to be appropriate and reasonable. We understand the rationale behind the two "Nonconcur" issues and will work with staff to be sure that alternative solutions are effective.

The District has committed to completing implementation of most of the recommendations this year, and to providing updates to the auditors when they return in January 2015. In the meantime, the BAC will ask staff to report on progress at our regular meetings.

In summary, the audit validates the District's budget and schedule assumptions that supported the bond and verifies that an appropriate and effective management structure is in place to address the challenges ahead.