

**2020-2021 INTERNAL AUDIT**

**Focus: Capital Project Expenditures, Proposition II, Athletic Facility and STEAM Wing**

**ACTION PLAN**

**CURRENT YEAR RECOMMENDATIONS**

<i>Number</i>	<i>Comment</i>	<i>Response and Implementation Date</i>
<b><u>Subcontractor Release of Lien Documents</u></b>		
1	The subcontractor release of lien documents should be included in requisition support in order to protect the District from any future claims from subcontractors.	In the initial payment requisitions, the subcontractor release of lien documents were not included as a part of the requisition support.  <b><u>Status: Completed, October 2020 and ongoing.</u></b> The District is currently receiving subcontractor release of lien documents as part of the payment requisitions. The District, Architects, and Construction Manager will continue to review payment requisitions to ensure they include subcontractor release of lien documents.

**PRIOR YEAR RECOMMENDATIONS**

<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.	<b><u>Status: Completed.</u></b> The District, Architects, and Construction Manager review release of lien documents to ensure that they include any necessary additional verbiage.
2	Ensure that contract dates agree between the AIA forms and the releases.	<b><u>Status: Completed.</u></b> The dates on the AIA forms and the release forms are checked for consistency and accuracy.

**Certified Payroll Reports**

3	Ensure that OSHA cards are provided for all workers listed on the certified payroll reports.	<b><u>Status: Completed.</u></b> All OSHA cards are now on file. The construction manager ensures that all persons on certified payroll have provided their OSHA cards.
4	For payment requisitions that include no labor utilized, the certified payroll reports should also include verbiage "no labor utilized" or "no work performed".	<b><u>Status: Completed.</u></b> For materials only, the District ensures that the certified payroll report indicates that no labor was utilized.
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.	<b><u>Status: Completed.</u></b> The District has an employee that maintains active insurance policy data and obtains updated policy data in advance of policy expiration dates.