

Table A
Status of VTA's Implementation of Recommendations From Audit Report 2007-129

2007-129 AUDIT RECOMMENDATION	CURRENT IMPLEMENTATION STATUS*
Board Structure, Governance, and Strategic Planning	
<p>1 To promote stability in its leadership and bring the tenure of board members in line with that of comparable transit agencies, VTA should request the Legislature to amend its enabling statutes to allow for a four-year board term.</p>	<p>Not implemented</p> <p><i>As discussed in this report, VTA's term length is two years and not four, and VTA has decided to encourage appointing powers to reappoint directors rather than pursue a change to its term lengths.</i></p>
<p>2 VTA should monitor the effect of the governance changes approved by the board in May 2008 and determine whether additional changes to its governance structure are necessary. To this end, VTA should add board tenure to the performance measures it develops for its new strategic plan.</p>	<p>Not current practice</p> <p><i>As this report describes, VTA's strategic plan is outdated. Further, VTA's strategic planning documents lack performance measures related to board tenure.</i></p>
<p>3 To demonstrate that it values the expertise of its advisory committees, VTA and its board should take actions to ensure that advisory committees are involved in the development of policy solutions. Such actions should include the following:</p> <ul style="list-style-type: none"> a. Reassessing and stating the purpose and role of each advisory committee. b. Reviewing work plans for advisory committees to ensure the committees have an opportunity to review and provide input on issues in the early stages of development. c. Providing the citizens committee with an opportunity to address the board at every meeting, similar to the opportunity provided to the policy committee. 	<p>Implemented</p> <p><i>VTA has regularly updated the bylaws for each advisory committee, which include each committee's mission and purpose. The citizens advisory committee has a regular opportunity to address the board. Although our report notes that VTA did not involve advisory committees in the development of the SCIP, we noted that in most cases, committees were appropriately involved in policy review. Additionally, the board approves the meeting minutes packages for advisory committee meetings during which the workplans are established.</i></p>
<p>4 VTA should implement its plan to create a comprehensive strategic plan and ensure that the new plan conforms to the practices recommended by the GFOA.</p>	<p>Not current practice</p> <p><i>As this report describes, VTA's strategic plan is outdated and does not adhere to best practices.</i></p>
Project Management	
<p>5 To ensure adequate control over its project planning process, VTA should develop written policies and procedures for project planning and evaluation.</p>	<p>Not current practice</p> <p><i>As this report describes, VTA does not have procedures for cost estimation which is a key element of project planning and management, but it is developing a project administration manual.</i></p>
<p>6 To conform to GFOA-recommended practices, VTA should create policies and procedures to clearly identify all project costs and revenues, and to estimate and have a plan for funding the operating costs resulting from capital projects.</p>	<p>Not current practice</p> <p><i>VTA does not have written procedures related to identifying project operation and maintenance costs. Further, as described in this report, VTA does not identify operation and maintenance costs for all of its projects.</i></p>
<p>7 To achieve consistency in project monitoring, VTA should ensure that its project managers follow the construction administration manual or document when management has agreed to an exception.</p>	<p>Not current practice</p> <p><i>According to VTA, it no longer uses its construction administration manual.</i></p>
Financial Planning and Oversight	
<p>8 To make best use of its resources, VTA should create regular processes in which fiscal resources communicates with other VTA divisions—especially the Engineering and Construction Division—regarding the cash needs of projects and activities. This communication process should include estimates of yearly project expenditures and regular updates to those projections based on actual results.</p>	<p>Not current practice</p> <p><i>According to VTA, it had begun but has since stopped holding meetings between its fiscal team and project staff for these purposes.</i></p>

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2007-129 AUDIT RECOMMENDATION	CURRENT IMPLEMENTATION STATUS*
<p>9 VTA should update its capital budget to more fully report planned spending by year, capital carryover by source, and expected total project costs.</p>	<p>Implemented</p> <p><i>As this report discusses, VTA presents this information to the board as part of its budget.</i></p>
<p>10 To better monitor capital spending, VTA should regularly compile and report to management information that tracks all capital projects and compares spending and project progress to original projections. Information should be broken down by project but should also include total project progress and spending by source of funds.</p>	<p>Not current practice</p> <p><i>VTA does not compare its capital project costs to its original estimates or report variances from the original estimates to the board.</i></p>
<p>11 To ensure realistic long-term financial planning, VTA should continue to update its planning tools and methodology and clearly explain assumptions that have material effects on overall forecasts.</p>	<p>Implemented</p> <p><i>As noted in this report, VTA describes the major assumptions that impact its financial forecasts.</i></p>

Source: Audit report 2007-129; VTA documents and processes.

Note: This table does not include three recommendations from the report. All three of these recommendations asked VTA to continue plans it had to implement recommendations made by a consultant hired by VTA. Because the core of these recommendations were actions recommended by a third party and not the California State Auditor, we did not follow up on them during this audit.

* We describe the implementation status as *Not current practice* in cases where VTA had previously demonstrated that it had addressed the recommendation, but this audit determined that VTA is not following the practices described in the recommendation.