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# Executive Summary

## Key Findings

This audit on transportation construction finds that Clackamas County has an opportunity to improve administrative efficiency and effectiveness by updating policies and procedures. The scope of work section of contracts is sent to applicable County disciplines for review. There is no system in place to ensure each applicable discipline has received, reviewed and approved the scope of work. Design comment log procedures should also be standardized to ensure all appropriate personnel have reviewed the project documentation applicable to their discipline and any questions or comments they have, are effectively resolved.

By updating administrative policies and procedures, such as, the use of checklists, approval of change orders and on-call contracts supporting documentation, the County may be able to enhance its stewardship controls to more effectively show all contract deliverables were received and to better ensure project changes are appropriately preapproved. We also found the County can better utilize data available for ensuring contract change orders are reasonable, appropriate and balanced.

Transportation payments should be periodically reconciled from the Department of Transportation and Development (DTD) subsidiary system (PawPrints) to the County's book of record (PeopleSoft Financial). Project management staff generally only use PawPrints to track transportation payments. This presents a significant risk if the actual amount of payments does not match what is recorded in PawPrints. We did identify an instance for \$4,268 where payments from PawPrints did not reconcile to PeopleSoft Financial.

State law requires public improvement contractors receive progress payments timely. Typically payment must be made by the County within 30 days from when the contractor's invoice is received or 15 days after the invoice is approved, whichever is first. The County is currently unable to show compliance with prompt payment requirements.

## Key Recommendations



Our specific recommendations for management are included on page 20 of this report. In summary, we made recommendations to:

- Update and improve policies, procedures and documentation;
- Ensure applicable disciplines review design and construction documents;
- Revamp contract change order documentation and approvals;
- Show compliance with state law prompt payment requirements.

## Response

County transportation management generally agreed with our recommendations. They are already implementing corrective action to address some of the improvements identified. Their full response is at the end of the report.