

Memorandum

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To: WILLIAM E. LEWIS
Assistant Director
Audits and Investigations

Date: December 20, 2013

File:

From: 
ROBERT PIEPLOW
Chief
Division of Engineering Services

Subject: **RESPONSE TO AUDIT REPORT #P3000-0408 DIVISION OF ENGINEERING SERVICES (DES) FOUNDATION TESTING BRANCH (FTB)**

Attached is the DES 360-day update in response to Audits and Investigations (A&I) report # P3000-0408, dated January 2013. The FTB completed all of the remaining findings:

- Finding 1.1-5
- Finding 2.1,2
- Finding 3.4
- Finding 4.1,2
- Finding 7.1,2
- Finding 8.1,2

The completion of these findings finalizes the remaining tasks and action items contained within the workplan and within the allocated timeframe. Since all tasks and action items are complete, this 360-day update is the final report and no future reports will be submitted.

If you have any questions or need additional information, please contact Philip J. Stolarski, State Materials Engineer, Deputy Division Chief, DES – Materials Engineering and Testing Services and Geotechnical Services, at (916) 227-7254, or by email at phil.stolarski@dot.ca.gov.

Attachments

Audits and Investigation (A&I) # P3000-0408 Summary of Completion Dates

Audit Report Finding #1: Lack of an Effective System of Internal Controls				
Recommendation	1/18/13 30 day Response	3/30/13 60 day Response	7/30/13 180 Day Response	1/30/14 360 Day Response
1. Continually assess operational and administrative internal controls and address identified weaknesses.	May 2013	September 2013	September 2013	Completed
2. Continually communicate a tone that emphasizes the importance of good effective internal controls in both its operational and administrative functions.	May 2013	September 2013	September 2013	Completed
3. Educate all employees on their roles and responsibilities in ensuring a good internal control environment.	May 2013	September 2013	September 2013	Completed
4. Develop, maintain, monitor, and modify written policies and procedures, as needed, for operational and administrative functions.	May 2013	September 2013	September 2013	Completed
5. Provide sufficient and continuous oversight to ensure that policies and procedures are followed as intended.	May 2013	September 2013	December 2013	Completed

Audit Report Finding #2: Foundation Testing Branch Deficiencies				
Recommendation	1/18/13 30 day Response	3/30/13 60 Day Response	7/30/13 180 Day Response	1/30/14 360 Day Response
1. Develop and implement written policies and procedures for its test services to give reasonable assurance as to the consistency, integrity, and validity of the data and results.	May 2013	September 2013	September 2013	Completed
2. Continually communicate related policies and procedures to employees, monitor compliance, and make changes, as necessary.	May 2013	September 2013	December 2013	Completed

Audit Report Finding #3: Project File Deficiencies				
Recommendation	1/18/13 30 day Response	3/30/13 60 Day Response	7/30/13 180 Day Response	1/30/14 360 Day Response
1. Establish written policies and procedures for gathering and maintaining test/service information.	May 2013	July 2013	Completed	Completed
2. Consistently file and maintain test data (written and electronic), along with other pertinent documents.	May 2013	September 2013	Completed	Completed
3. Develop and maintain written policies and procedures that address, at a minimum: <ul style="list-style-type: none"> a. The data/information that must be documented in the project files to provide sufficient historical evidence (who, what, when, where, why), validating the services performed. b. Roles and responsibilities for ensuring all appropriate and necessary data/information are complete and valid. c. Periodically monitoring red folders to assure they are maintained as intended. d. Records that must be retained and the timeframe for retention. 	a. May 2013 b. May 2013 c. May 2013 d. May 2013	a. July 2013 b. July 2013 c. July 2013 d. January 2014	Completed	Completed
4. Continually communicate related policies and procedures to employees, monitor compliance, and make changes, as necessary.	May 2013	September 2013	December 2013	Completed

Audits and Investigation (A&I) # P3000-0408 Summary of Completion Dates

Audit Report Finding #4: Project/Assignment Tracking Deficiencies				
Recommendation	1/18/13 30 day Response	3/30/13 60 Day Response	7/30/13 180 Day Response	1/30/14 360 Day Response
1. Establish a method of monitoring and tracking tests requested, performed, and for which reports are issued including tracking the status of tests/services so that management can readily locate test information at any time. Ideally, the method used should identify: <ol style="list-style-type: none"> a. Name(s) of the person(s) assigned. b. Test location(s). c. Date(s) of test. d. Recommendation(s) and date of final report. 	May 2013	September 2013	September 2013	Completed
2. Document policies and procedures for consistently filing red folders safeguarding the area in which they are kept, establishing a method for tracking folders when removed from the filing area and identify the record retention period.	May 2013	July 2013	January 2014	Completed

Audit Report Finding #5: Time Reporting Deficiencies	
Recommendation	1/18/13 30 day Response
We recommend that the FTB establish written time reporting policies and procedures for activities that relate specifically to their branch. The policies and procedures should: <ol style="list-style-type: none"> 1. Ensure compliance with established time reporting criteria, including deputy directives, division charging practices, and applicable labor bargaining agreements. 2. Ensure prior approval and documentation of overtime and PLT. 3. Establish criteria for essential and emergency overtime. 4. Identify documentation required to support overtime and PLT hours. 5. Require sufficient, continuous oversight by managers and supervisors. 	Completed

Audits and Investigation (A&I) # P3000-0408 Summary of Completion Dates

Audit Report Finding #6: Daily Field Report Deficiencies			
Recommendation	1/18/13 30 day Response	3/30/13 60 Day Response	7/30/13 180 Day Response
We recommend that the FTB develop, maintain, and follow written procedures for the completion of the DFR, form MR-1109. The procedures should, at a minimum: <ol style="list-style-type: none"> 1. State when and why a DFR is required. 2. Identify who is responsible for completing a DFR, especially when there is more than one TE and/or TET at the job site. 3. Determine and clarify the need, if any, for signatures and by whom. 4. Detail which parts of the form are to be completed and for what tests. 5. Clearly specify whether the DFR will be used to support regular, overtime, and/or PLT hours. 6. Establish record retention requirements that state where the form is to be stored and for how long. 	May 2013	September 2013	Completed

Audit Report Finding #7: Vehicle and Travel Expense Claim Deficiencies				
Recommendation	1/18/13 30 day Response	3/30/13 60 Day Response	7/30/13 180 Day Response	1/30/14 360 Day Response
1. Establish and enforce written policies and procedures, specific to the FTB, that ensure vehicle usage is properly tracked and recorded.	May 2013	September 2013	September 2013	Completed
2. Provide sufficient oversight to give reasonable assurance that vehicles are used only for official state business.	May 2013	September 2013	September 2013	Completed
3. Ensure that information documented on the TECs can be readily correlated to DFRs, time sheets, and vehicle logs, as applicable.	May 2013	July 2013	Completed	X

Audit Report Finding #8: Materials Deficiencies				
Recommendation	1/18/13 30 day Response	3/30/13 60 Day Response	7/30/13 180 Day Response	1/30/14 360 Day Response
1. Establish policies and procedures, specific to the FTB, that ensure materials are properly tracked and recorded to the applicable projects.	May 2013	July 2013	January 2014	Completed
2. Provide sufficient oversight to give reasonable assurance that materials are used for official state business and are adequately safeguarded.	May 2013	July 2013	January 2014	Completed

Audit Report Finding #1
Lack of an Effective System of Internal Controls

Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	360-day Update
<p>1. Continuously assess operational and administrative internal controls and address identified weaknesses.</p>	<p>Continuous assessment of FTB operations and administrative internal controls is performed by using the Foundation Testing Management, Practices, and Procedures (FTMPP) Manual and the 3 Phase Mitigation Plan (3PMP). See Cover Memorandum (Response To Audit Report P3000-0408 Division Of Engineering Services (DES) Foundation Testing Branch (FTB)) for a summary of the purpose and intent of each phase. More specifically, the FTMPP Manual, Sections 1 Foundation Testing Branch Management Plan, 2 Core Values and 3 Administration. The 3PMP, Phase III requires the use of Master Resolution List (MRL) systems to track tasks, assign responsibility to staff/supervisors, establishes completion dates, status updates and history. MRL meetings are held weekly and documented via the document control system.</p> <p>Identified weakness tracking and monitoring is accomplished in the FTMPP Manual, Sections 1, Foundation Testing Branch Management Plan and 2, Core Values. It should also be noted corrective measures and lessons learned are addressed in the FTMPP Manual, Sections 1 Foundation Testing Branch Management Plan and 2 Core Values. Training all noted systems is scheduled over the next 4-5 months.</p>	<p>May 2013 to have systems fully implemented. Process is on-going from that point on.</p>	<p>Douglas Brittsan Shira Rajendra</p>	<p>Completed; training held September 2013. The internal controls (MRL, document control, QC/QA, failure identification – corrective measures, etc.) are continuous pursuant to scheduled monthly compliance reviews and meetings.</p>

Audit Report Finding #1
Lack of an Effective System of Internal Controls

Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	360-day Update
<p>2. Continually communicate a tone that emphasizes the importance of good effective internal controls in both its operational and administrative functions.</p>	<p>The new management structure is based on setting a tone and atmosphere of consistent and open communications relating to key FTB targets and internal controls. This new structure is centered on the FTMPP Manual (Sections 1 and 2) and the 3PMP (Phase II and III). More specifically, the FTMPP Manual Section 1, 1.2 requires FTB management continually communicate and train FTB team members to ensure compliance with all internal controls (this is accomplished via MRL systems, meetings, etc). The FTMPP Manual Section 2 Core Values section requires regularly scheduled meetings, tracking of tasks and performance while creating a level of accountability. It is important to note, the 3PMP, Phase II and III systems require a consistent monitoring of FTB performance via the MRL system (Corporate Level II Quality Control and Assurance MRL).</p>	<p>Corrective measures are in place (3PMP Phase I) to address immediate audit issues (Gamma-Gamma Tests, Quality of Tests, Vehicle Use, Overtime, etc).</p> <p>FTB management enhancements are expected to be in place by May 2013.</p>	<p>Douglas Brittsan Shira Rajendra Philip Stolarski</p>	<p>Completed; see: Finding No 1, 1. (above)</p>

Audit Report Finding #1
Lack of an Effective System of Internal Controls

Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	360-day Update
<p>3. Educate all employees on their roles and responsibilities in ensuring a good internal control environment.</p>	<p>Training for all FTB management and staff will occur in 3 phases. The Cover Memorandum (Response To Audit Report P3000-0408 Division Of Engineering Services (DES) Foundation Testing Branch (FTB)) provides a summary of the purpose and intent of each phase. The FTMPP Manual, Section 1 & 2 are the primary focus points for internal control training (roles, responsibilities, safety, asset stewardship, quality assurance, document control, risk management, etc). An MRL for training on the above topics will start January 2013 and end in May 2013.</p> <p>Note: the 3PMP requires all training (administrative, technical and applicable regulatory mandates) to be tracked, monitored and documented.</p>	<p>January – May 2013.</p>	<p>Douglas Brittsan Shira Rajendra Philip Stolarski</p>	<p>Completed; see: Findings No 1, 1. & 2. (above)</p>
<p>4. Develop, maintain, monitor, and modify written policies and procedures, as needed, for operational and administrative functions.</p>	<p>The FTMPP Manual and 3PMP are the drivers for this recommendation. These documents contain policies, procedures, performance measures, continuous improvement provisions, accountability standards, project management systems, schedules and quality requirements. The above effort ensures compliance with all audit report recommendations, including pending external reviews/reports. Lastly, the 3PMP system ensures documentation of events and retention of records. Training will be provided regarding the above.</p>	<p>Training for the FTMPP Manual and 3PMP - January to May 2013.</p>	<p>Douglas Brittsan Thang Le Shira Rajendra</p>	<p>Completed; see: Findings No 1, 1. 2. & 3. (above)</p>

Audit Report Finding #1
Lack of an Effective System of Internal Controls

Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	360-day Update
<p>5. Provide sufficient and continuous oversight to ensure that policies and procedures are followed as intended.</p>	<p>The FTMP Manual and 3PMP require continuous oversight to ensure compliance with policies and procedures. The MRL system requires weekly meetings with regular updates and revisions to reflect operational and administrative conditions. The MRL will ensure each task is assigned with a completion date, including a description of the action required, a status update and history of events. The Corporate Level II Quality Control and Assurance MRL as required in the 3PMP, Phase III requires an FTB manager perform regular quality control and assurance checks on MRL tasks.</p>	<p>The FTMP Manual will be completed by January-May 2013.</p> <p>The 3PMP will be completed by May 2013.</p>	<p>Douglas Brittsan Shira Rajendra Philip Stolarski</p>	<p>Completed; 3PMP has been implemented and closed. The MRL system has replaced the 3PMP with a focus on GGL, time reporting, and vehicle usage.</p>

**Audit Report Finding #2
Foundation Testing Branch Deficiencies**

Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	360-day Update
<p>1. Develop and implement written policies and procedures for its test services to give reasonable assurance as to the consistency, integrity, and validity of the data and results.</p>	<p>Mitigation of FTB Gamma-Gamma testing challenges was of the first order of business (Phase I of the 3PMP) for the FTB management team. The new policies, procedures and internal controls for testing services were developed and implemented prior to the creation of the FTMPP Manual. This approach was taken given the immediate need to mitigate potential testing falsification risks, ensure accuracy of test results while implementing quality control and assurance practices.</p> <p>Once the above challenges were under control, the FTB team initiated the development of formal and final written policies and procedures as noted in the FTMPP Manual (testing service sections).</p>	<p>Training for Phase I of the 3PMP (testing policies and procedures) will be completed by February-March 2013.</p> <p>Training on remaining testing policy and procedures as required in the FTMPP Manual will be completed by May 2013.</p>	<p>Douglas Brittsan Thang Le Shira Rajendra</p>	<p>Completed; the FTMPP Manual and MRL training is complete. See: Finding No 1, 1. (above)</p>

Audit Report Finding #2
Foundation Testing Branch Deficiencies

Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	360-day Update
<p>2. Continually communicate related policies and procedures to employees, monitor compliance, and make changes, as necessary.</p>	<p>The FTMP Manual and the 3PMP mandate specific and clearly defined policies, procedures and performance measures. The above controls will ensure all FTB managers, supervisors and employees properly track, monitor and manage their work while ensuring compliance with applicable regulatory mandates, Caltrans policy and audit recommendations.</p> <p>The above is accomplished by using the MRL system on a regular basis with quality control and assurance oversight. The FTMP Manual, Section 1, 1.6 (Manual Update Process) and Section 2, 2.9 and 2.10 (Risk Management – Performance Failure Identification Process, Implementation of Corrective Measures) allow for identification of non-compliance issues and ensures corrective measures with provisions for continuous improvement. Updates to the FTMP Manual will be processed on an as-needed basis. In addition, an annual comprehensive review and revision of the FTMP Manual will be performed to ensure content accuracy.</p>	<p>FTMP Manual to be completed by January-May 2013.</p> <p>The 3PMP will be finalized by May 2013.</p> <p>All training for the above will be completed by January-May 2013.</p>	<p>Douglas Brittsan Shira Rajendra Philip Stolarski</p>	<p>Completed; full implementation was completed in September 2013. The MRL and Document Controls systems provide on-going quality assurance and control protections.</p>

**Audit Report Finding #3
Project File Deficiencies**

Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	360-day Update
4. Continually communicate related policies and procedures to employees, monitor compliance, and make changes, as necessary.	Weekly project meetings occur to review records, files and other related project documentation. Quality checks will be performed as the 3PMP processes are implemented.	3PMP completion by May 2013	Douglas Brittsan Shira Rajendra	Completed ; see: Finding 2, 2. (above)

Audit Report Finding #4
Project/Assignment Tracking Deficiencies

Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	360-day Update
<p>1. Establish a method of monitoring and tracking tests requested, performed, and for which reports are issued including tracking the status of tests/services so that management can readily locate test information at any time. Ideally, the method used should identify:</p> <ul style="list-style-type: none"> a. Name(s) of the person(s) assigned. b. Test location(s). c. Date(s) of test. d. Recommendation(s) and date of final report. 	<p>The FTMP Manual, Section 3, requires the development, implementation and management of a test tracking and monitoring system. The FTB team has created and implemented a project tracking database to track foundation testing on all active and completed projects.</p> <p>The Branch Chief performs periodic inspections of the tracking database to verify accuracy and document the inspection as part of the quality control/assurance process and the 3PMP system.</p>	<p>Tracking Database was completed in April 2012.</p> <p>Periodic inspection process will be completed by May 2013.</p>	<p>Douglas Brittsan Shira Rajendra</p>	<p>Completed; task completed in September 2013. The Branch Chief performs inspections of the tracking database via the QC Checklist No. 1 (as required in the FTMP Manual).</p>
<p>2. Document policies and procedures for consistently filing red folders safeguarding the area in which they are kept, establishing a method for tracking folders when removed from the filing area and identify the record retention period.</p>	<p>The FTMP Manual, Section 3 will specifically address red folder processing, tracking and management. On an interim basis as of July 2012, FTB engineers and the first line supervisor performed quality control and assurance reviews relating to red folder, management and utilization processes. The final red folder management and control process will be fully implemented by May 2013.</p> <p>A list of required documents in the red folder has been developed and placed in the FTMP Manual, Section 3. Staff was made aware of this official documented requirement to ascertain proper completion of the red folders.</p>	<p>Red folder tracking system and training will be implemented by January-May 2013</p>	<p>Douglas Brittsan Shira Rajendra</p>	<p>Completed; Red folder processing, tracking and management has been implemented pursuant to the requirements of the FTMP Manual, Section 3. Confirm this is section 3. The GeoDog and the FTB Archive systems are utilized to manage and ensure compliance with this internal control.</p>

Audit Report Finding #7
Vehicle and Travel Expense Claim Deficiencies

Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	360-day Update
<p>1. Establish and enforce written policies and procedures, specific to the FTB, that ensure vehicle usage is properly tracked and recorded.</p>	<p>Vehicle ID numbers and pile/bent numbers are added to the daily field reports as a means to track the vehicles driven to the job site and provide more information on the piles tested. Interim policies for accounting for vehicle use are currently in place. Staff have been instructed to:</p> <ul style="list-style-type: none"> • A pre-operation form, which staff are required to fill out, records the start and end mileage of the vehicle. • Second driver’s starting mileage documentation should match up with initial driver’s ending mileage documentation. This documentation is logged on cartags, which records the travel mileage, time of use, and storage location of vehicle. • Supervisor is immediately notified if mileage documentation does not match up. <p>A formal written process was outlined in the October 29, 2012, Memorandum to all employees from the Caltrans Director relating to the use of State-provided vehicles and recording of mileage. This memorandum is being placed into the FTMPP Manual.</p> <p>Vehicle usage enforcement is documented in the METS/GS Directive #1, “Expectations for Employees” (r2 - June 2013).</p>	<p>Interim policies were implemented in April 2012.</p> <p>Training for this policy will occur January-May 2013.</p>	<p>Douglas Brittsan</p>	<p>Completed; the MRL system and training for vehicle usage has been fully implemented.</p>
<p>2. Provide sufficient oversight to give reasonable assurance that vehicles are used only for official state business.</p>	<p>Please see the response for Finding #7, Recommendation #1.</p>	<p>Policies were implemented in April 2012</p>	<p>Douglas Brittsan</p>	<p>Completed; see: Finding No 7, 1. (above)</p>

**Audit Report Finding #8
Materials Deficiencies**

Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	360-day Update
<p>1. Establish policies and procedures, specific to the FTB, that ensure materials are properly tracked and recorded to the applicable projects.</p>	<p>A tracking log will be developed to monitor the usage of materials as well as to keep an updated inventory of what is purchased or needs to be purchased. One designated member of the FTB team will monitor the tracking log.</p>	<p>Tracking log will be developed and implemented by May 2013.</p>	<p>Douglas Brittsan</p>	<p>Completed; During the implementation effort it was determined the original tracking log system required modifications to meet operational needs. These modifications are completed and implemented. The FTMPP Manual has been revised to reflect these changes.</p>
<p>2. Provide sufficient oversight to give reasonable assurance that materials are used for official state business and are adequately safeguarded.</p>	<p>Interim measures were implemented to protect FTB materials, procurement and equipment to ensure effective stewardship of these resources. Oversight is provided to ensure that policies and procedures are followed and materials are used for official state business. The above process will continue until final implementation of the FTMPP Manual, SQAP.</p> <p>The SQAP is being developed and will be utilized at the Deputy Division Chief, Office Chief, and Branch Chief levels as a means for reasonable assurance on the completion of critical tasks. Master Resolution Lists (MRL), a quality check portion of the SQAP, will be maintained electronically and in hardcopy to effectively employ document control.</p>	<p>Interim policies implemented in January 2012.</p> <p>FTMPP Manual, SQAP by May 2013</p>	<p>Douglas Brittsan Shira Rajendra Philip Stolarski</p>	<p>Completed; the MRL system was replaced via METS Directive 1 (Procedure for Proper Disposal and Recycling of Hazardous, Nonhazardous Materials and Equipment, rev. 2 - dated 7/2/13) & Directive 2 (Expectations for Employees, rev. 2 – dated 6/20/13) with consistent reviews during FTB staff meetings. This is confirmed via Document Control.</p>

<p style="text-align: center;">Audit Report Finding #1 Lack of an Effective System of Internal Controls.</p>						
Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	60-Day Update (3/29/13)	180-Day Update (7/22/13)	360-day Update (12/18/13)
<p>1. Continuously assess operational and administrative internal controls and address identified weaknesses.</p>	<p>Continuous assessment of FTB operations and administrative internal controls is performed by using the Foundation Testing Management, Practices, and Procedures (FTMPP) Manual and the 3 Phase Mitigation Plan (3PMP). See Cover Memorandum (Response To Audit Report P3000-0408 Division Of Engineering Services (DES) Foundation Testing Branch (FTB)) for a summary of the purpose and intent of each phase. More specifically, the FTMPP Manual, Sections 1 Foundation Testing Branch Management Plan, 2 Core Values and 3 Administration. The 3PMP, Phase III requires the use of Master Resolution List (MRL) systems to track tasks, assign responsibility to staff/supervisors, establishes completion dates, status updates and history. MRL meetings are held weekly and documented via the document control system.</p> <p>Identified weakness tracking and monitoring is accomplished in the FTMPP Manual, Sections 1, Foundation Testing Branch Management Plan and 2, Core Values. It should also be noted corrective measures and lessons learned are addressed in the FTMPP Manual, Sections 1 Foundation Testing Branch Management Plan and 2 Core Values. Training all noted systems is scheduled over the next 4-5 months.</p>	<p>May 2013 to have systems fully implemented. Process is on-going from that point on.</p>	<p>Douglas Brittsan Shira Rajendra</p>	<p>The due date of May 2013 was based on audit report recommendations provided in January 2013. Subsequently, 2 external FHWA reports arrived in February 2013 combined with the draft BSA and FHWA Division reports. Concurrent to addressing the above reports, the FTB team implemented internal controls to ensure testing integrity (GGL reports, falsification, accuracy of tests, etc). Given the above, it has become necessary to extend the due date to September 2013.</p> <p>The FTMPP Manual and FTB Master Resolution List (MRL) systems were introduced for training purposes in early March 2013. The MRL is a tool used to manage, monitor and track key task assignments. The MRL establishes a tone of responsibility and accountability while ensuring compliance with applicable mandates and policies. MRL documents are reviewed at scheduled MRL meetings to ensure open communication and consistent oversight of work product quality.</p> <p>Given the above, the estimated completion date for full implementation of Finding 1, Recommendation 1 is September 2013. The above delay will not impact the full implementation of these systems within the 360 day timeline.</p>	<p>The FTB has fully implemented the MRL system for Gamma Gamma Logging (GGL) testing integrity. Additional MRL systems (document control, FTMPP Manual Compliance, Time Reporting, Vehicle Usage, Failure/Corrective Action tracking) are in the process of being developed for implementation by September 2013. Training on these systems were held in June 2013 with additional training planned for September 2013. In addition, training occurs when non-compliance with the FTMPP, negative trends and/or the need for corrective measures are discovered during reviews of compliance periods.</p>	<p>Completed; training held September 2013. The internal controls (MRL, document control, QC/QA, failure identification – corrective measures, etc.) are continuous pursuant to scheduled monthly compliance reviews and meetings.</p>

Audit Report Finding #1 Lack of an Effective System of Internal Controls.						
Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	60-Day Update (3/29/13)	180-Day Update (7/22/13)	360-day Update (12/18/13)
2. Continually communicate a tone that emphasizes the importance of good effective internal controls in both its operational and administrative functions.	<p>The new management structure is based on setting a tone and atmosphere of consistent and open communications relating to key FTB targets and internal controls.</p> <p>This new structure is centered on the FTMPP Manual (Sections 1 and 2) and the 3PMP (Phase II and III). More specifically, the FTMPP Manual Section 1, 1.2 requires FTB management continually communicate and train FTB team members to ensure compliance with all internal controls (this is accomplished via MRL systems, meetings, etc). The FTMPP Manual Section 2 Core Values section requires regularly scheduled meetings, tracking of tasks and performance while creating a level of accountability. It is important to note, the 3PMP, Phase II and III systems require a consistent monitoring of FTB performance via the MRL system (Corporate Level II Quality Control and Assurance MRL).</p>	<p>Corrective measures are in place (3PMP Phase I) to address immediate audit issues (Gamma-Gamma Tests, Quality of Tests, Vehicle Use, Overtime, etc).</p> <p>FTB management enhancements are expected to be in place by May 2013.</p>	Douglas Brittsan Shira Rajendra Philip Stolarski	<p>The 3PMP, Phase III and the FTB Work Shop Training communicates a tone of the importance of internal controls for FTB operations and administrative functions. Draft MRL systems are being developed with training plans to ensure employees receive continuous communications regarding compliance with these findings.</p> <p>Training is scheduled from March – July 2013. This recommendation is expected to be completed in September 2013. The above delay will not impact the full implementation of these systems within the 360 day timeline.</p>	The FTB-MPP (Management Practices Plan) was developed and shared with FTB managers and supervisors. FTMPP Manual training for FTB team members was held in March/April 2013. MRL training followed in June for managers/supervisors. Training for FTB staff utilizing the MRL will be scheduled in September. The above ensures a continuous tone relating to effective internal controls.	Completed; see: Finding No 1, 1. (above)
3. Educate all employees on their roles and responsibilities in ensuring a good internal control environment.	<p>Training for all FTB management and staff will occur in 3 phases. The Cover Memorandum (Response To Audit Report P3000-0408 Division Of Engineering Services (DES) Foundation Testing Branch (FTB)) provides a summary of the purpose and intent of each phase. The FTMPP Manual, Section 1 & 2 are the primary focus points for internal control training (roles, responsibilities, safety, asset stewardship, quality assurance, document control, risk management, etc). An MRL for training on the above topics will start January 2013 and end in May 2013.</p> <p>Note: the 3PMP requires all training (administrative, technical and applicable regulatory mandates) to be tracked, monitored and documented.</p>	January – May 2013.	Douglas Brittsan Shira Rajendra Philip Stolarski	<p>Compliance with this recommendation will be accomplished via the FTMPP Manual and MRL training scheduled from March – July 2013. The training process and implementation of systems will be completed by September 2013.</p> <p>Utilization of the MRL system will ensure continuous communications to ensure FTB team members focus on their roles, responsibilities and the internal controls.</p>	See responses in Items 1-2 above.	Completed; see: Findings No 1, 1. & 2. (above)

Audit Report Finding #1 Lack of an Effective System of Internal Controls.						
Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	60-Day Update (3/29/13)	180-Day Update (7/22/13)	360-day Update (12/18/13)
4. Develop, maintain, monitor, and modify written policies and procedures, as needed, for operational and administrative functions.	The FTMP Manual and 3PMP are the drivers for this recommendation. These documents contain policies, procedures, performance measures, continuous improvement provisions, accountability standards, project management systems, schedules and quality requirements. The above effort ensures compliance with all audit report recommendations, including pending external reviews/reports. Lastly, the 3PMP system ensures documentation of events and retention of records. Training will be provided regarding the above.	Training for the FTMP Manual and 3PMP - January to May 2013.	Douglas Brittsan Thang Le Shira Rajendra	<p>The FTMP Manual contains written policies and procedures establishing the requirements and processes for FTB operational and administrative functions. The FTMP Manual also contains provisions allowing for FTMP updates to ensure compliance with applicable mandates and changes. The first training session occurred on March 18, 2013 with a second session scheduled for April 2, 2013, with additional sessions to follow.</p> <p>FTMP refresher training will occur on an annual basis after September 2013.</p> <p>Full implementation of the 3PMP and MRL systems is ongoing with final implementation scheduled for September 2013.</p> <p>Utilization of the MRL system will ensure continuous monitoring of written policies and procedures. MRL meetings are held on a regular basis. See MRL description in Finding 1, Recommendation 1.</p>	See Items 1-2 above.	Completed; see: Findings No 1, 1. 2. & 3. (above)
5. Provide sufficient and continuous oversight to ensure that policies and procedures are followed as intended.	The FTMP Manual and 3PMP require continuous oversight to ensure compliance with policies and procedures. The MRL system requires weekly meetings with regular updates and revisions to reflect operational and administrative conditions. The MRL will ensure each task is assigned with a completion date, including a description of the action required, a status update and history of events. The Corporate Level II Quality Control and Assurance MRL as required in the 3PMP, Phase III requires an FTB manager perform regular quality control and assurance checks on MRL tasks.	<p>The FTMP Manual will be completed by January-May 2013.</p> <p>The 3PMP will be completed by May 2013.</p>	Douglas Brittsan Shira Rajendra Philip Stolarski	See response in Finding 1, Recommendation 4.	<p>The FTMP Manual First Edition is completed. In addition, training occurs when non-compliance with the FTMP Manual, negative trends and/or the need for corrective measures are discovered during reviews of compliance periods.</p> <p>The 3PMP system has been completed with full implementation scheduled for December 2013.</p> <p>The MRL system currently implemented combined with MRL</p>	Completed; 3PMP has been implemented and closed. The MRL system has replaced the 3PMP with a focus on GGL, time reporting, and vehicle usage.

<p style="text-align: center;">Audit Report Finding #1 Lack of an Effective System of Internal Controls.</p>						
Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	60-Day Update (3/29/13)	180-Day Update (7/22/13)	360-day Update (12/18/13)
					training ensures continuous oversight to ensure compliance with internal controls.	

Audit Report Finding #2 Foundation Testing Branch Deficiencies						
Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	60-Day Update (3/29/13)	180-Day Update (7/22/13)	360-day Update (12/18/13)
1. Develop and implement written policies and procedures for its test services to give reasonable assurance as to the consistency, integrity, and validity of the data and results.	Mitigation of FTB Gamma-Gamma testing challenges was of the first order of business (Phase I of the 3PMP) for the FTB management team. The new policies, procedures and internal controls for testing services were developed and implemented prior to the creation of the FTMPP Manual. This approach was taken given the immediate need to mitigate potential testing falsification risks, ensure accuracy of test results while implementing quality control and assurance practices. Once the above challenges were under control, the FTB team initiated the development of formal and final written policies and procedures as noted in the FTMPP Manual (testing service sections).	Training for Phase I of the 3PMP (testing policies and procedures) will be completed by February-March 2013. Training on remaining testing policy and procedures as required in the FTMPP Manual will be completed by May 2013.	Douglas Brittsan Thang Le Shira Rajendra	The FTMPP Manual is now complete with training to occur in March-July 2013. The FTMPP Manual, MRL system and training sessions will ensure written policies and procedures will be utilized to consistently maintain the integrity and accuracy of the data and results. It is estimated the training and development to follow up quality control and assurance measures will require this task be extended until September 2013.	FTMPP Manual and MRL training continues to prepare for full implementation by September 2013.	Completed ; the FTMPP Manual and MRL training is complete. See: Finding No 1, 1. (above)
	FTB utilizes a Quality Control (QC) checklist, which serves as an assessment tool to verify the accuracy of the Gamma-Gamma Logging (GGL) data sets received. The checklist also includes specific factors that peer and supervisory reviews to ensure that technician testers are following the appropriate testing procedures.	Completed and implemented in June 2012.	Douglas Brittsan	Continuous monitoring of the QC Checklist is occurring via the MRL system. Full implementation of this system is expected to occur in September 2013. See MRL description in Finding 1, Recommendation 1.	Completed	
	FTB has a GGL Data Checker tool in place. GGL data sets, once received, are processed through the GGL Data Checker tool. The checker tool is used as a means to focus on the prevention of GGL data falsification risks. This procedure has been modified on multiple occasions to ensure its effectiveness. Full implementation of the improved tool was launched in October 2012.	Completed and implemented in October 2012.	Douglas Brittsan	Continuous monitoring of the GGL Data Checker tool is occurring via the MRL system. Full implementation of the MRL system is expected to occur by September 2013. See MRL description in Finding 1, Recommendation 1.	Completed	
2. Continually communicate related policies and procedures to employees, monitor compliance, and make changes, as necessary.	The FTMPP Manual and the 3PMP mandate specific and clearly defined policies, procedures and performance measures. The above controls will ensure all FTB managers, supervisors and employees properly track, monitor and manage their work while ensuring compliance with applicable regulatory mandates, Caltrans policy and audit recommendations.	FTMPP Manual to be completed by January-May 2013. The 3PMP will be finalized by May 2013.	Douglas Brittsan Shira Rajendra Philip Stolarski	The FTMPP Manual is complete with training scheduled for March – July 2013. MRL draft systems are in place for GGL testing with training planned for March – July 2013. The MRL systems will be fully operational by September 2013 resulting in	The work noted above continues with full implementation scheduled for December 2013.	Completed ; full implementation was completed in September 2013. The MRL and Document Controls systems provide on-going quality assurance and control protections.

Audit Report Finding #2 Foundation Testing Branch Deficiencies						
Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	60-Day Update (3/29/13)	180-Day Update (7/22/13)	360-day Update (12/18/13)
	The above is accomplished by using the MRL system on a regular basis with quality control and assurance oversight. The FTMPP Manual, Section 1, 1.6 (Manual Update Process) and Section 2, 2.9 and 2.10 (Risk Management – Performance Failure Identification Process, Implementation of Corrective Measures) allow for identification of non-compliance issues and ensures corrective measures with provisions for continuous improvement. Updates to the FTMPP Manual will be processed on an as-needed basis. In addition, an annual comprehensive review and revision of the FTMPP Manual will be performed to ensure content accuracy.	All training for the above will be completed by January-May 2013.		continuous oversight. See MRL description in Finding 1, Recommendation 1.		

Audit Report Finding #3 Project File Deficiencies						
Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	60-Day Update (3/29/13)	180-Day Update (7/22/13)	360-day Update (12/18/13)
1. Establish written policies and procedures for gathering and maintaining test/service information.	<p>The 3PMP, Phase I written policies and procedures were developed and implemented to address immediate testing service document control (Gamma-Gamma Checklist, Electronic Archive, Gamma-Gamma Logging Checker Tool, etc.) issues.</p> <p>The FTMPP Manual, Section 3, 4 & 5 documents the policies and procedures related to all the tests performed by FTB, including project file requirements and document naming conventions.</p>	<p>FTMPP Manual to be completed by January – May 2013.</p> <p>Training to be completed by January – May 2013.</p>	Douglas Brittsan Thang Le Shira Rajendra	The FTMPP Manual is complete with training to occur in March-July 2013. This training will address policies and procedures for maintain file system, document control, etc. MRL systems will be used to evaluate consistent compliance with these policies.	Completed	
2. Consistently file and maintain test data (written and electronic), along with other pertinent documents.	The FTMPP Manual, Section 3, (Project Tracking, Weekly Reports, Document Control, Physical & Electronic Records, Record Naming Convention, Procedures for Archiving and Record Retention Procedures, etc) addresses issues relating to written and electronic filing systems. The FTB management team has implemented some of the record and file systems noted above to address immediate test accuracy and quality issues. The final implementation and official acceptance of the record and file system will occur at completion of the FTMPP Manual training.	<p>FTMPP Manual will be finalized in January-May 2013.</p> <p>The above training to be completed by January-May 2013.</p>	Douglas Brittsan Shira Rajendra	See Finding 1, Recommendation 1 & Finding #3, Recommendation #1	Completed	

Audit Report Finding #3 Project File Deficiencies						
Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	60-Day Update (3/29/13)	180-Day Update (7/22/13)	360-day Update (12/18/13)
<p>3. Develop and maintain written policies and procedures that address, at a minimum:</p> <p>a. The data/information that must be documented in the project files to provide sufficient historical evidence (who, what, when, where, why), validating the services performed.</p> <p>b. Roles and responsibilities for ensuring all appropriate and necessary data/information are complete and valid.</p> <p>c. Periodically monitoring red folders to assure they are maintained as intended.</p> <p>d. Records that must be retained and the timeframe for retention.</p>	<p>3.a – 3PMP, Phase I required the development of certain policies and procedures to ensure historical evidence and validation of the services performed. FTB created a Project Tracking Database system which identifies the project, test data collection (type and person), dates, report completion date and date report was archived. Each report and data entry is reviewed by a “peer reviewer”. In addition, FTB supervisor reviews the quality of reports and test data for accuracy.</p> <p>The FTMPP Manual, Section 3 & 4 provide policies and procedures relating to data/information document control, validation and retention.</p> <p>3.b – Roles and responsibilities relating to completion and validation of data and information is addressed in the FTMPP Manual, Sections 2, 3 and 4. The 3PMP will ensure the quality and validity of testing services. FTB Engineers who are performing peer reviews of the reports are also required to verify the red folder contents for completion and quality. These procedures are documented in the FTMPP Manual.</p> <p>3.c – FTMPP Manual, Sections 3 & 4 provide clear direction relating to the processing of red folders. Section 2, Core Values, and the 3PMP ensure consistent monitoring of documents to ensure compliance. The 3PMP Corporate Level II Quality Control and Assurance MRL and the Line-Function MRL systems will be responsible for tracking, measuring and monitoring the red folder process.</p> <p>3.d – The FTMPP Manual requires records be retained in a filing system until eventual placement into the electronic archive system. Quality checks will be performed as the 3PMP processes are implemented. Records retention will be compliant with Caltrans policy and procedures.</p>	<p>Phase I of the 3PMP will be completed in February-March 2013.</p> <p>FTMPP Manual will be finalized in January-May 2013</p> <p>3PMP to be completed by May 2013</p> <p>Training to be provided January-May 2013</p>	<p>Douglas Brittsan Thang Le Shira Rajendra</p>	<p>3.a – The FTB team is using the Project Tracking Database system to ensure data/information is accessible and consistent. The FTB supervisor conducts quality reviews of the work to ensure compliance. On-going quality reviews are providing opportunities for enhancement.</p> <p>3.b – The FTMPP Manual is complete with training planned for March-July 2013. Training will address FTB team roles and responsibilities relating to data/information, processing of reports and record retention policies.</p> <p>3.c - The FTMPP Manual sections relating to “red folders” has been discussed with the FTB team. The FTB is developing a system to maintain, organize and provide oversight/tracking of the red folders. Training for this effort is scheduled for March – July 2013.</p> <p>3.d – The FTB team has developed an electronic archive system for GGL records, data and information. The team is working on including all documents (including red folders) into an electronic database.</p> <p>The target for electronic archiving of all completed red folders is January 2014.</p>	<p>Completed</p> <p>Completed</p> <p>Completed</p> <p>Completed</p>	

Audit Report Finding #3 Project File Deficiencies						
Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	60-Day Update (3/29/13)	180-Day Update (7/22/13)	360-day Update (12/18/13)
4. Continually communicate related policies and procedures to employees, monitor compliance, and make changes, as necessary.	Weekly project meetings occur to review records, files and other related project documentation. Quality checks will be performed as the 3PMP processes are implemented.	3PMP completion by May 2013	Douglas Brittsan Shira Rajendra	The FTMP Manual is complete with training scheduled for March – July 2013. The FTB intends to have the MRL system fully operational with all internal control and compliance mandates in place by September 2013. See MRL description in Finding 1, Recommendation 1.	This task will be completed by December 2013 (completion of MRL training and implementation).	Completed ; see: Finding 2, 2. (above)

Audit Report Finding #4 Project/Assignment Tracking Deficiencies						
Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	60-Day Update (3/29/13)	180-Day Update (7/22/13)	360-day Update (12/18/13)
<p>1. Establish a method of monitoring and tracking tests requested, performed, and for which reports are issued including tracking the status of tests/services so that management can readily locate test information at any time. Ideally, the method used should identify:</p> <ol style="list-style-type: none"> Name(s) of the person(s) assigned. Test location(s). Date(s) of test. Recommendation(s) and date of final report. 	<p>The FTMPP Manual, Section 3, requires the development, implementation and management of a test tracking and monitoring system. The FTB team has created and implemented a project tracking database to track foundation testing on all active and completed projects.</p> <p>The Branch Chief performs periodic inspections of the tracking database to verify accuracy and document the inspection as part of the quality control/assurance process and the 3PMP system.</p>	<p>Tracking Database was completed in April 2012.</p> <p>Periodic inspection process will be completed by May 2013.</p>	Douglas Brittsan Shira Rajendra	<p>See comments – Finding 1 – Recommendation 1 & Finding #3 – Recommendation 3.</p> <p>In addition, the DES-GS/GS Office Chief will perform sample quality assurance checks on the monitoring and tracking of tests, including applicable databases. This review is being addressed in the MRL system. It is expected the MRL system with full oversight and tracking capability will be in place by September 2013. See MRL description in Finding 1, Recommendation 1.</p>	Task is on schedule for completion September 2013.	Completed; task completed in September 2013. The Branch Chief performs inspections of the tracking database via the QC Checklist No. 1 (as required in the FTMPP Manual).
<p>2. Document policies and procedures for consistently filing red folders safeguarding the area in which they are kept, establishing a method for tracking folders when removed from the filing area and identify the record retention period.</p>	<p>The FTMPP Manual, Section 3 will specifically address red folder processing, tracking and management. On an interim basis as of July 2012, FTB engineers and the first line supervisor performed quality control and assurance reviews relating to red folder, management and utilization processes. The final red folder management and control process will be fully implemented by May 2013.</p> <p>A list of required documents in the red folder has been developed and placed in the FTMPP Manual, Section 3. Staff was made aware of this official documented requirement to ascertain proper completion of the red folders.</p>	Red folder tracking system and training will be implemented by January-May 2013	Douglas Brittsan Shira Rajendra	<p>See comments - Finding #3 – Recommendation 3</p> <p>In addition, the FTMPP Manual is complete with training planned for March – July 2013.</p>	This task is on schedule for completion January 2014.	Completed; Red folder processing, tracking and management has been implemented pursuant to the requirements of the FTMPP Manual, Section 3. Confirm this is section 3. The GeoDog and the FTB Archive systems are utilized to manage and ensure compliance with this internal control.

Audit Report Finding #5 Time Reporting Deficiencies						
Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	60-Day Update (3/29/13)	180-Day Update (7/22/13)	360-day Update (12/18/13)
<p>We recommend that the FTB establish written time reporting policies and procedures for activities that relate specifically to their branch. The policies and procedures should:</p> <ol style="list-style-type: none"> 1. Ensure compliance with established time reporting criteria, including deputy directives, division charging practices, and applicable labor bargaining agreements. 2. Ensure prior approval and documentation of overtime and PLT. 3. Establish criteria for essential and emergency overtime. 4. Identify documentation required to support overtime and PLT hours. 5. Require sufficient, continuous oversight by managers and supervisors. 	<p>Overtime needed to support Construction is estimated weekly by the Branch Chief and is preapproved by the Office Chief. It is also monitored through the review of employee daily field reports and timesheets by the supervisor. The above process is compliant with deputy directives, division charging practices, etc. The first line supervisor conducts weekly quality reviews to ensure compliance.</p>	<p>Completed and implemented in January 2012.</p>	<p>Douglas Brittsan Shira Rajendra</p>	<p>Completed and implemented.</p>		
	<p>Overtime guidelines were issued to all office employees per Deputy Directive # DD-56-R2 by the Office Chief in May 2012. Essential and emergency overtime policies/approval criteria are outlined in the above Deputy Directive.</p>	<p>Completed and implemented in May 2012.</p>	<p>Douglas Brittsan</p>	<p>Completed and implemented.</p>		
	<p>Daily Field Reports (DFRs) are reviewed by the supervisor when approving Pile Load Testing (PLT) differential time reported in the timesheets to ensure accurate reflection of work performed and time reported.</p>	<p>Completed and implemented in September 2012.</p>	<p>Shira Rajendra</p>	<p>Completed and implemented.</p>		
	<p>Monthly oversight on usage and proper documentation of overtime is provided by the supervisor and /or Office Chief.</p>	<p>Implemented in May 2012 and is a continuous effort.</p>	<p>Douglas Brittsan Shira Rajendra</p>	<p>Completed and implemented.</p>		

<p style="text-align: center;">Audit Report Finding #6 Daily Field Report Deficiencies</p>						
Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	60-Day Update (3/29/13)	180-Day Update (7/22/13)	360-day Update (12/18/13)
<p>We recommend that the FTB develop, maintain, and follow written procedures for the completion of the DFR, form MR-1109. The procedures should, at a minimum:</p> <ol style="list-style-type: none"> 1. State when and why a DFR is required. 2. Identify who is responsible for completing a DFR, especially when there is more than one TE and/or TET at the job site. 3. Determine and clarify the need, if any, for signatures and by whom. 4. Detail which parts of the form are to be completed and for what tests. 5. Clearly specify whether the DFR will be used to support regular, overtime, and/or PLT hours. 6. Establish record retention requirements that state where the form is to be stored and for how long. 	<p>Interim instructions are currently in place for accurate completion of DFRs, including required documentation as to when and why a DRF is required. Technicians, engineers, and all staff performing tests have received interim guidelines for completing the reports. Guidelines and instructions will be reviewed and modified for improved accuracy of the DFRs. These guidelines, once finalized, will be placed in the FTMPP Manual as official written procedures.</p>	<p>Interim guidelines were implemented in February 2012</p> <p>Permanent guidelines and policy will be implemented by May 2013.</p>	<p>Douglas Brittsan</p>	<p>The FTMPP Manual is complete with training scheduled for March-July 2013. This training includes DFR guidelines and instructions.</p> <p>It is expected the MRL system will be fully operational by September 2013. See MRL description in Finding 1, Recommendation 1.</p>	<p>Completed</p>	

Audit Report Finding #7 Vehicle and Travel Expense Claim Deficiencies						
Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	60-Day Update (3/29/13)	180-Day Update (7/22/13)	360-day Update (12/18/13)
1. Establish and enforce written policies and procedures, specific to the FTB, that ensure vehicle usage is properly tracked and recorded.	<p>Vehicle ID numbers and pile/bent numbers are added to the daily field reports as a means to track the vehicles driven to the job site and provide more information on the piles tested. Interim policies for accounting for vehicle use are currently in place. Staff have been instructed to:</p> <ul style="list-style-type: none"> • A pre-operation form, which staff are required to fill out, records the start and end mileage of the vehicle. • Second driver's starting mileage documentation should match up with initial driver's ending mileage documentation. This documentation is logged on cartags, which records the travel mileage, time of use, and storage location of vehicle. • Supervisor is immediately notified if mileage documentation does not match up. <p>A formal written process was outlined in the October 29, 2012, Memorandum to all employees from the Caltrans Director relating to the use of State-provided vehicles and recording of mileage. This memorandum is being placed into the FTMPP Manual.</p> <p>Vehicle usage enforcement is documented in the METS/GS Directive #1, "Employee Expectations" (r2 - July 2012).</p>	<p>Interim policies were implemented in April 2012.</p> <p>Training for this policy will occur January-May 2013.</p>	Douglas Brittsan	<p>The FTMPP Manual is complete with training scheduled for March-July 2013. This training includes vehicle usage policies and procedures.</p> <p>It is expected the MRL system will be fully operational by September 2013.</p>	Training has been completed. This task is on schedule for completion September 2013. (completion of MRL training and implementation)	Completed ; the MRL system and training for vehicle usage has been fully implemented.
2. Provide sufficient oversight to give reasonable assurance that vehicles are used only for official state business.	Please see the response for Finding #7, Recommendation #1.	Policies were implemented in April 2012	Douglas Brittsan	Please Finding #7, Recommendation #1.	Training has been completed. This task is on schedule for completion September 2013. (completion of MRL training and implementation)	Completed ; see: Finding No 7, 1. (above)

Audit Report Finding #8 Materials Deficiencies						
Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	60-Day Update (3/29/13)	180-Day Update (7/22/13)	360-day Update (12/18/13)
1. Establish policies and procedures, specific to the FTB, that ensure materials are properly tracked and recorded to the applicable projects.	<p>Policies and procedures are currently being developed to address the issue of material usage and tracking. These policies and procedures will be included in the FTMPP Manual. Staff will be trained and made aware of the newly implemented procedures. Staff will be immediately notified of any modifications to the FTMPP Manual.</p> <p>The Supervisor Quality Assurance Plan (SQAP) is being developed and will be utilized at the Deputy Division Chief, Office Chief, and Branch Chief levels as a means for reasonable assurance on the completion of critical tasks. Master Resolution Lists (MRL), a quality check portion of the SQAP, will be maintained electronically and in hardcopy to effectively employ document control.</p>	Staff will be trained on contents and requirements in the FTMPP Manual January-May 2013.	Douglas Brittsan Shira Rajendra Philip Stolarski	Materials handling policies and procedures have been developed and implemented in to the FTMPP Manual. Training will occur March-July 2013.	Completed	
	A tracking log will be developed to monitor the usage of materials as well as to keep an updated inventory of what is purchased or needs to be purchased. One designated member of the FTB team will monitor the tracking log.	Tracking log will be developed and implemented by May 2013.	Douglas Brittsan	A tracking log has been developed and incorporated into the FTMPP Manual with training planned for March-July 2013.	Training and the tracking log have been completed. Full implementation is scheduled for January 2014.	Completed ; During the implementation effort it was determined the original tracking log system required modifications to meet operational needs. These modifications are completed and implemented. The FTMPP Manual has been revised to reflect these changes.
2. Provide sufficient oversight to give reasonable assurance that materials are used for official state business and are adequately safeguarded.	<p>Interim measures were implemented to protect FTB materials, procurement and equipment to ensure effective stewardship of these resources. Oversight is provided to ensure that policies and procedures are followed and materials are used for official state business. The above process will continue until final implementation of the FTMPP Manual, SQAP.</p> <p>The SQAP is being developed and will be utilized at the Deputy Division Chief, Office</p>	<p>Interim policies implemented in January 2012.</p> <p>FTMPP Manual, SQAP by May 2013</p>	Douglas Brittsan Shira Rajendra Philip Stolarski	Materials inventory practices and policies are in the FTMPP Manual with training planned for March – July 2013.	Training has been completed. The FTB MRL system scheduled for full implementation by January 2014.	Completed ; the MRL system was replaced via METS Directive 1 (Procedure for Proper Disposal and Recycling of Hazardous, Nonhazardous Materials and Equipment , rev. 2 - dated 7/2/13) & Directive 2 (Expectations for Employees , rev. 2 – dated 6/20/13) with consistent reviews during FTB staff meetings. This is confirmed via Document Control.

	Chief, and Branch Chief levels as a means for reasonable assurance on the completion of critical tasks. Master Resolution Lists (MRL), a quality check portion of the SQAP, will be maintained electronically and in hardcopy to effectively employ document control.					
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Memorandum

*Flex your power!
Be energy efficient!*

To: WILLIAM E. LEWIS
Assistant Director
Audits and Investigations

Date: July 30, 2013

From: ROBERT PIEPLOW 
Chief
Division of Engineering Services

Subject: **180-DAY RESPONSE TO AUDIT REPORT P3000-0408 DIVISION OF ENGINEERING SERVICES (DES) FOUNDATION TESTING BRANCH (FTB)**

Attached is the 180-day response to the Audits and Investigations Report P3000-0408, dated January 2013. Please note, the FTB team has made significant progress relating to the completion of the following findings:

- Finding 3.1
- Finding 3.2
- Finding 3.3 a-d
- Finding 6
- Finding 7.3

In addition, new staff have been added in July 2013 to assist in the implementation of the Three Phase Mitigation Plan (3PMP) and the Foundation Testing Management, Practices, and Procedures Manual (FTMPP Manual) to ensure the FTB work is performed in a manner consistent with the California Department of Transportation (Caltrans) policies and regulatory mandates. The 3PMP and the FTMPP Manual will promote quality assurance, internal controls and asset stewardship with specific performance measures while ensuring accountability. The staff include an AGPA and a civil engineer.

As required, DES will again report on the progress of the work plan at the 360-day periods from when the final report is issued. I have confidence that all tasks and action items contained within the work plan will be completed within this timeframe.

If you have any questions on the work plan contents or need additional information, please contact Philip J. Stolarski, State Materials Engineer, Deputy Division Chief, DES--Materials and Engineering Services and Geotechnical Services at (916) 227-7254, or by email at phil.stolarski@dot.ca.gov, for assistance.

Attachment

Audit Report Finding #1
Lack of an Effective System of Internal Controls

Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	180-day Update
1. Continuously assess operational and administrative internal controls and address identified weaknesses.	<p>Continuous assessment of FTB operations and administrative internal controls is performed by using the Foundation Testing Management, Practices, and Procedures (FTMPP) Manual and the 3 Phase Mitigation Plan (3PMP). See Cover Memorandum (Response To Audit Report P3000-0408 Division Of Engineering Services (DES) Foundation Testing Branch (FTB)) for a summary of the purpose and intent of each phase. More specifically, the FTMPP Manual, Sections 1 Foundation Testing Branch Management Plan, 2 Core Values and 3 Administration. The 3PMP, Phase III requires the use of Master Resolution List (MRL) systems to track tasks, assign responsibility to staff/supervisors, establishes completion dates, status updates and history. MRL meetings are held weekly and documented via the document control system.</p> <p>Identified weakness tracking and monitoring is accomplished in the FTMPP Manual, Sections 1, Foundation Testing Branch Management Plan and 2, Core Values. It should also be noted corrective measures and lessons learned are addressed in the FTMPP Manual, Sections 1 Foundation Testing Branch Management Plan and 2 Core Values. Training all noted systems is scheduled over the next 4-5 months.</p>	May 2013 to have systems fully implemented. Process is on-going from that point on.	Douglas Brittsan Shira Rajendra	The FTB has fully implemented the MRL system for Gamma Gamma Logging (GGL) testing integrity. Additional MRL systems (document control, FTMPP Manual Compliance, Time Reporting, Vehicle Usage, Failure/Corrective Action tracking) are in the process of being developed for implementation by September 2013. Training on these systems were held in June 2013 with additional training planned for September 2013. In addition, training occurs when non-compliance with the FTMPP, negative trends and/or the need for corrective measures are discovered during reviews of compliance periods.

Audit Report Finding #1
Lack of an Effective System of Internal Controls

Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	180-day Update
<p>2. Continually communicate a tone that emphasizes the importance of good effective internal controls in both its operational and administrative functions.</p>	<p>The new management structure is based on setting a tone and atmosphere of consistent and open communications relating to key FTB targets and internal controls. This new structure is centered on the FTMPP Manual (Sections 1 and 2) and the 3PMP (Phase II and III). More specifically, the FTMPP Manual Section 1, 1.2 requires FTB management continually communicate and train FTB team members to ensure compliance with all internal controls (this is accomplished via MRL systems, meetings, etc). The FTMPP Manual Section 2 Core Values section requires regularly scheduled meetings, tracking of tasks and performance while creating a level of accountability. It is important to note, the 3PMP, Phase II and III systems require a consistent monitoring of FTB performance via the MRL system (Corporate Level II Quality Control and Assurance MRL).</p>	<p>Corrective measures are in place (3PMP Phase I) to address immediate audit issues (Gamma-Gamma Tests, Quality of Tests, Vehicle Use, Overtime, etc).</p> <p>FTB management enhancements are expected to be in place by May 2013.</p>	<p>Douglas Brittsan Shira Rajendra Philip Stolarski</p>	<p>The FTB-MPP (Management Practices Plan) was developed and shared with FTB managers and supervisors. FTMPP Manual training for FTB team members was held in March/April 2013. MRL training followed in June for managers/supervisors. Training for FTB staff utilizing the MRL will be scheduled in September. The above ensures a continuous tone relating to effective internal controls.</p>

Audit Report Finding #1
Lack of an Effective System of Internal Controls

Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	180-day Update
<p>3. Educate all employees on their roles and responsibilities in ensuring a good internal control environment.</p>	<p>Training for all FTB management and staff will occur in 3 phases. The Cover Memorandum (Response To Audit Report P3000-0408 Division Of Engineering Services (DES) Foundation Testing Branch (FTB)) provides a summary of the purpose and intent of each phase. The FTMPP Manual, Section 1 & 2 are the primary focus points for internal control training (roles, responsibilities, safety, asset stewardship, quality assurance, document control, risk management, etc). An MRL for training on the above topics will start January 2013 and end in May 2013.</p> <p>Note: the 3PMP requires all training (administrative, technical and applicable regulatory mandates) to be tracked, monitored and documented.</p>	<p>January – May 2013.</p>	<p>Douglas Brittsan Shira Rajendra Philip Stolarski</p>	<p>See responses in Items 1-2 above.</p>

Audit Report Finding #1
Lack of an Effective System of Internal Controls

Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	180-day Update
<p>4. Develop, maintain, monitor, and modify written policies and procedures, as needed, for operational and administrative functions.</p>	<p>The FTMPP Manual and 3PMP are the drivers for this recommendation. These documents contain policies, procedures, performance measures, continuous improvement provisions, accountability standards, project management systems, schedules and quality requirements. The above effort ensures compliance with all audit report recommendations, including pending external reviews/reports. Lastly, the 3PMP system ensures documentation of events and retention of records. Training will be provided regarding the above.</p>	<p>Training for the FTMPP Manual and 3PMP - January to May 2013.</p>	<p>Douglas Brittsan Thang Le Shira Rajendra</p>	<p>See Items 1-2 above.</p>

Audit Report Finding #1
Lack of an Effective System of Internal Controls

Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	180-day Update
<p>5. Provide sufficient and continuous oversight to ensure that policies and procedures are followed as intended.</p>	<p>The FTMPP Manual and 3PMP require continuous oversight to ensure compliance with policies and procedures. The MRL system requires weekly meetings with regular updates and revisions to reflect operational and administrative conditions. The MRL will ensure each task is assigned with a completion date, including a description of the action required, a status update and history of events. The Corporate Level II Quality Control and Assurance MRL as required in the 3PMP, Phase III requires an FTB manager perform regular quality control and assurance checks on MRL tasks.</p>	<p>The FTMPP Manual will be completed by January-May 2013.</p> <p>The 3PMP will be completed by May 2013.</p>	<p>Douglas Brittsan Shira Rajendra Philip Stolarski</p>	<p>The FTMPP Manual First Edition is completed. In addition, training occurs when non-compliance with the FTMPP, negative trends and/or the need for corrective measures are discovered during reviews of compliance periods.</p> <p>The 3PMP system has been completed with full implementation scheduled for December 2013.</p> <p>The MRL system currently implemented combined with MRL training ensures continuous oversight to ensure compliance with internal controls.</p>

**Audit Report Finding #2
Foundation Testing Branch Deficiencies**

Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	180-day Update
<p>1. Develop and implement written policies and procedures for its test services to give reasonable assurance as to the consistency, integrity, and validity of the data and results.</p>	<p>Mitigation of FTB Gamma-Gamma testing challenges was of the first order of business (Phase I of the 3PMP) for the FTB management team. The new policies, procedures and internal controls for testing services were developed and implemented prior to the creation of the FTMPP Manual. This approach was taken given the immediate need to mitigate potential testing falsification risks, ensure accuracy of test results while implementing quality control and assurance practices.</p> <p>Once the above challenges were under control, the FTB team initiated the development of formal and final written policies and procedures as noted in the FTMPP Manual (testing service sections).</p>	<p>Training for Phase I of the 3PMP (testing policies and procedures) will be completed by February-March 2013.</p> <p>Training on remaining testing policy and procedures as required in the FTMPP Manual will be completed by May 2013.</p>	<p>Douglas Brittsan Thang Le Shira Rajendra</p>	<p>FTMPP Manual and MRL training continues to prepare for full implementation by September 2013.</p>
	<p>FTB utilizes a Quality Control (QC) checklist, which serves as an assessment tool to verify the accuracy of the Gamma-Gamma Logging (GGL) data sets received. The checklist also includes specific factors that peer and supervisory reviews to ensure that technician testers are following the appropriate testing procedures.</p>	<p>Checklist completed and implemented in June 2012.</p>	<p>Douglas Brittsan</p>	<p>Completed</p>

Audit Report Finding #2
Foundation Testing Branch Deficiencies

Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	180-day Update
	<p>FTB has a GGL Data Checker tool in place. GGL data sets, once received, are processed through the GGL Data Checker tool. The checker tool is used as a means to focus on the prevention of GGL data falsification risks. This procedure has been modified on multiple occasions to ensure its effectiveness. Full implementation of the improved tool was launched in October 2012.</p>	<p>GGL Data Checker tool implemented in October 2012.</p>	<p>Douglas Brittsan</p>	<p>Completed</p>
<p>2. Continually communicate related policies and procedures to employees, monitor compliance, and make changes, as necessary.</p>	<p>The FTMPP Manual and the 3PMP mandate specific and clearly defined policies, procedures and performance measures. The above controls will ensure all FTB managers, supervisors and employees properly track, monitor and manage their work while ensuring compliance with applicable regulatory mandates, Caltrans policy and audit recommendations.</p> <p>The above is accomplished by using the MRL system on a regular basis with quality control and assurance oversight. The FTMPP Manual, Section 1, 1.6 (Manual Update Process) and Section 2, 2.9 and 2.10 (Risk Management – Performance Failure Identification Process, Implementation of Corrective Measures) allow for identification of non-compliance issues and ensures corrective measures with provisions for continuous improvement. Updates to the FTMPP Manual will be processed on an as-needed basis. In addition, an annual comprehensive review and revision of the FTMPP Manual will be performed to ensure content accuracy.</p>	<p>FTMPP Manual to be completed by January-May 2013.</p> <p>The 3PMP will be finalized by May 2013.</p> <p>All training for the above will be completed by January-May 2013.</p>	<p>Douglas Brittsan Shira Rajendra Philip Stolarski</p>	<p>The work noted above continues with full implementation scheduled for December 2013.</p>

**Audit Report Finding #3
Project File Deficiencies**

Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	180-day Update
<p>1. Establish written policies and procedures for gathering and maintaining test/service information.</p>	<p>The 3PMP, Phase I written policies and procedures were developed and implemented to address immediate testing service document control (Gamma-Gamma Checklist, Electronic Archive, Gamma-Gamma Logging Checker Tool, etc.) issues.</p> <p>The FTMPP Manual, Section 3, 4 & 5 documents the policies and procedures related to all the tests performed by FTB, including project file requirements and document naming conventions.</p>	<p>FTMPP Manual to be completed by January –May2013.</p> <p>Training to be completed by January –May 2013.</p>	<p>Douglas Brittsan Thang Le Shira Rajendra</p>	<p>Completed</p>
<p>2. Consistently file and maintain test data (written and electronic), along with other pertinent documents.</p>	<p>The FTMPP Manual, Section 3, (Project Tracking, Weekly Reports, Document Control, Physical & Electronic Records, Record Naming Convention, Procedures for Archiving and Record Retention Procedures, etc) addresses issues relating to written and electronic filing systems. The FTB management team has implemented some of the record and file systems noted above to address immediate test accuracy and quality issues. The final implementation and official acceptance of the record and file system will occur at completion of the FTMPP Manual training.</p>	<p>FTMPP Manual will be finalized in January-May 2013.</p> <p>The above training to be completed by January-May 2013.</p>	<p>Douglas Brittsan Shira Rajendra</p>	<p>Completed</p>

**Audit Report Finding #3
Project File Deficiencies**

Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	180-day Update
<p>3. Develop and maintain written policies and procedures that address, at a minimum:</p> <ul style="list-style-type: none"> a. The data/information that must be documented in the project files to provide sufficient historical evidence (who, what, when, where, why), validating the services performed. b. Roles and responsibilities for ensuring all appropriate and necessary data/information are complete and valid. c. Periodically monitoring red folders to assure they are maintained as intended. d. Records that must be retained and the timeframe for retention. 	<p>3.a – 3PMP, Phase I required the development of certain policies and procedures to ensure historical evidence and validation of the services performed. FTB created a Project Tracking Database system which identifies the project, test data collection (type and person), dates, report completion date and date report was archived. Each report and data entry is reviewed by a “peer reviewer”. In addition, FTB supervisor reviews the quality of reports and test data for accuracy.</p> <p>The FTMPP Manual, Section 3 & 4 provide policies and procedures relating to data/information document control, validation and retention.</p> <p>3.b – Roles and responsibilities relating to completion and validation of data and information is addressed in the FTMPP Manual, Sections 2, 3 and 4. The 3PMP will ensure the quality and validity of testing services. FTB Engineers who are performing peer reviews of the reports are also required to verify the red folder contents for completion and quality. These procedures are documented in the FTMPP Manual.</p> <p>3.c – FTMPP Manual, Sections 3 & 4 provide clear direction relating to the processing of red folders. Section 2, Core Values, and the 3PMP ensure consistent monitoring of documents to ensure compliance. The 3PMP Corporate Level II Quality Control and Assurance MRL and the Line-Function MRL systems will be responsible for tracking, measuring and monitoring the red folder process.</p>	<p>Phase I of the 3PMP will be completed in February-March 2013.</p> <p>FTMPP Manual will be finalized in January-May 2013</p> <p>3PMP to be completed by May 2013</p> <p>Training to be provided January-May 2013</p>	<p>Douglas Brittsan Thang Le Shira Rajendra</p>	<p>Completed</p> <p>Completed</p> <p>Completed</p> <p>Completed</p>

**Audit Report Finding #3
Project File Deficiencies**

Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	180-day Update
	3.d – The FTMP Manual requires records be retained in a filing system until eventual placement into the electronic archive system. Quality checks will be performed as the 3PMP processes are implemented. Records retention will be compliant with Caltrans policy and procedures.			Completed.
4. Continually communicate related policies and procedures to employees, monitor compliance, and make changes, as necessary.	Weekly project meetings occur to review records, files and other related project documentation. Quality checks will be performed as the 3PMP processes are implemented.	3PMP completion by May 2013	Douglas Brittsan Shira Rajendra	This task will be completed by December 2013 (completion of MRL training and implementation).

**Audit Report Finding #4
Project/Assignment Tracking Deficiencies**

Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	180-day Update
<p>1. Establish a method of monitoring and tracking tests requested, performed, and for which reports are issued including tracking the status of tests/services so that management can readily locate test information at any time. Ideally, the method used should identify:</p> <ul style="list-style-type: none"> a. Name(s) of the person(s) assigned. b. Test location(s). c. Date(s) of test. d. Recommendation(s) and date of final report. 	<p>The FTMPP Manual, Section 3, requires the development, implementation and management of a test tracking and monitoring system. The FTB team has created and implemented a project tracking database to track foundation testing on all active and completed projects.</p> <p>The Branch Chief performs periodic inspections of the tracking database to verify accuracy and document the inspection as part of the quality control/assurance process and the 3PMP system.</p>	<p>Tracking Database was completed in April 2012.</p> <p>Periodic inspection process will be completed by May 2013.</p>	<p>Douglas Brittsan Shira Rajendra</p>	<p>Task is on schedule for completion September 2013.</p>
<p>2. Document policies and procedures for consistently filing red folders safeguarding the area in which they are kept, establishing a method for tracking folders when removed from the filing area and identify the record retention period.</p>	<p>The FTMPP Manual, Section 3 will specifically address red folder processing, tracking and management. On an interim basis as of July 2012, FTB engineers and the first line supervisor performed quality control and assurance reviews relating to red folder, management and utilization processes. The final red folder management and control process will be fully implemented by May 2013.</p> <p>A list of required documents in the red folder has been developed and placed in the FTMPP Manual, Section 3. Staff was made aware of this official documented requirement to ascertain proper completion of the red folders.</p>	<p>Red folder tracking system and training will be implemented by January-May 2013</p>	<p>Douglas Brittsan Shira Rajendra</p>	<p>This task is on schedule for completion January 2014.</p>

**Audit Report Finding #6
Daily Field Report Deficiencies**

Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	180-day Update
<p>We recommend that the FTB develop, maintain, and follow written procedures for the completion of the DFR, form MR-1109. The procedures should, at a minimum:</p> <ol style="list-style-type: none"> 1. State when and why a DFR is required. 2. Identify who is responsible for completing a DFR, especially when there is more than one TE and/or TET at the job site. 3. Determine and clarify the need, if any, for signatures and by whom. 4. Detail which parts of the form are to be completed and for what tests. 5. Clearly specify whether the DFR will be used to support regular, overtime, and/or PLT hours. 6. Establish record retention requirements that state where the form is to be stored and for how long. 	<p>Interim instructions are currently in place for accurate completion of DFRs, including required documentation as to when and why a DRF is required. Technicians, engineers, and all staff performing tests have received interim guidelines for completing the reports. Guidelines and instructions will be reviewed and modified for improved accuracy of the DFRs. These guidelines, once finalized, will be placed in the FTMPP Manual as official written procedures.</p>	<p>Interim guidelines were implemented in February 2012</p> <p>Permanent guidelines and policy will be implemented by May 2013.</p>	<p>Douglas Brittsan</p>	<p>Completed</p>

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Audit Report Finding #7
Vehicle and Travel Expense Claim Deficiencies

Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	180-day Update
<p>3. Ensure that information documented on the TECs can be readily correlated to DFRs, time sheets, and vehicle logs, as applicable.</p>	<p>DFRs will be used to document name and number of the structures tested. Travel Expense Claims (TEC) will be completed per the Caltrans TEC Guidelines. The first line FTB supervisor performs weekly reviews of these documents to ensure compliance.</p>	<p>Completed and implemented in February 2012.</p>	<p>Douglas Brittsan</p>	<p>Completed</p>
	<p>Vehicle ID numbers and pile/bent numbers are added to the daily field reports as a means to track the vehicles driven to the job site and provide more information on the piles tested.</p> <p>A formal written process was outlined in the October 29, 2012, Memorandum to all employees from the Caltrans Director relating to the use of State-provided vehicles and recording of mileage. This memorandum is being placed into the FTMPP Manual.</p>	<p>Permanent policies will be implemented and staff will be trained on these guidelines by May 2013.</p>		<p>Completed</p>

**Audit Report Finding #8
Materials Deficiencies**

Recommendation	Corrective Action Plans	Estimated Completion Date	Staff Responsible	180-day Update
<p>1. Establish policies and procedures, specific to the FTB, that ensure materials are properly tracked and recorded to the applicable projects.</p>	<p>Policies and procedures are currently being developed to address the issue of material usage and tracking. These policies and procedures will be included in the FTMPP Manual. Staff will be trained and made aware of the newly implemented procedures. Staff will be immediately notified of any modifications to the FTMPP Manual.</p> <p>The Supervisor Quality Assurance Plan (SQAP) is being developed and will be utilized at the Deputy Division Chief, Office Chief, and Branch Chief levels as a means for reasonable assurance on the completion of critical tasks. Master Resolution Lists (MRL), a quality check portion of the SQAP, will be maintained electronically and in hardcopy to effectively employ document control.</p>	<p>Staff will be trained on contents and requirements in the FTMPP Manual January-May 2013.</p>	<p>Douglas Brittsan Shira Rajendra Philip Stolarski</p>	<p>Completed</p>
	<p>A tracking log will be developed to monitor the usage of materials as well as to keep an updated inventory of what is purchased or needs to be purchased. One designated member of the FTB team will monitor the tracking log.</p>	<p>Tracking log will be developed and implemented by May 2013.</p>	<p>Douglas Brittsan</p>	<p>Training and the tracking log have been completed. Full implementation is scheduled for January 2014.</p>
<p>2. Provide sufficient oversight to give reasonable assurance that materials are used for official state business and are adequately safeguarded.</p>	<p>Interim measures were implemented to protect FTB materials, procurement and equipment to ensure effective stewardship of these resources. Oversight is provided to ensure that policies and procedures are followed and materials are used for official state business. The above process will continue until final implementation of the FTMPP Manual, SQAP.</p> <p>The SQAP is being developed and will be utilized at the Deputy Division Chief, Office Chief, and Branch Chief levels as a means for reasonable assurance on the completion of critical tasks. Master Resolution Lists (MRL), a quality check portion of the SQAP, will be maintained electronically and in hardcopy to effectively employ document control.</p>	<p>Interim policies implemented in January 2012.</p> <p>FTMPP Manual, SQAP by May 2013</p>	<p>Douglas Brittsan Shira Rajendra Philip Stolarski</p>	<p>Training has been completed. The FTB MRL system scheduled for full implementation by January 2014.</p>