



# Construction Policy Bulletin

CPB 11-4 Construction Response to Audit Reports

References: *Standard Specifications* Section 9-1.03C, "Records"  
*Deputy Directive* DD 100, "Department Responses to Audit Reports"  
*Construction Manual* Section 5-408, "Audits"  
*Construction Coordinator's* All  
*Termination Desk Guide*

Effective Date: August 19, 2011

Approved:

A handwritten signature in blue ink, appearing to read 'Mark Leja', written over a horizontal line.

for Mark Leja  
Chief  
Division of Construction

Approval Date: August 18, 2011

## Background

Audits and Investigations performs construction audits of field records, terminations, extra work, item adjustments, overhead, claims, special audits, and others. These audits usually originate in the district. Normally, the district division chief of construction requests audits, the Division of Construction coordinator approves audit requests, and the Division of Construction, Office of Contract Administration administers these audit requests.

Deputy Directive 100 requires a uniform response to all audits. This directive states that deputy directors, district directors, and division chiefs who receive audit reports must provide an acceptable corrective action plan in response to audit findings and recommendations.

## Existing Procedure

No division policy requires preparation of a corrective action plan in response to audits.

## New Procedure

Deputy directors, district directors, and division chiefs are responsible for the preparation of audit corrective action plans. The Division of Construction is responsible for the corrective action plans for force account audits authorized under Section 9-1.03C, "Records," of the *Standard Specifications*. The originating district is responsible for preparing all other audit corrective action plans. Approval of the district corrective action plans may not be delegated below the level of district division chief of construction.

Audit corrective action plans must be complete, accurate, timely, and consistent. Directors and chiefs submit their audit corrective action plans directly to the external audit chief for Audits and Investigations.

If you have questions or comments regarding this construction policy bulletin, please contact Mike Kissel, Division of Construction at (916) 654-2467.