

SUMMARY EXPLANATION AND BACKGROUND:

The external auditor, HCT, reviewed twenty-one ethics related findings and recommendations from the 2011 Grand Jury report. They found the recommendations were implemented or continued to be in effect for twenty of the findings and recommendations. With regards to Grand Jury Recommendation #13 "Create independent office of Inspector General to monitor the Board and District", the District has continued to maintain the position not to create an office of Inspector General.

HCT noted that there was one item (Grand Jury Finding #9) relating to retainage which required the Superintendent or Deputy Superintendent (for the reduction of retainage) to put in writing when the retainage would be reduced below 5% and prior to closing out the project. Management has taken action to correct this item by creating a Retainage Reduction Request form.