



Management Response

to OIPA's Performance Audit of SANDAG's Contract and Project Management over HNTB

Audit Committee | Item 4.1.2
Shawneé Pickney-Forrest, Director of Internal Controls
October 7, 2025

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Director of Internal Controls Role

A new role with a focus on ensuring that SANDAG is:

- **Compliant** with regulations, policies and procedures, etc.
- **Efficient** with the use of resources
- **Strategically planning** to address risks within the organization

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Approach

- **Coordination**

- Planning, directing, and managing of internal controls and process improvements within the agency

- **Transparency**

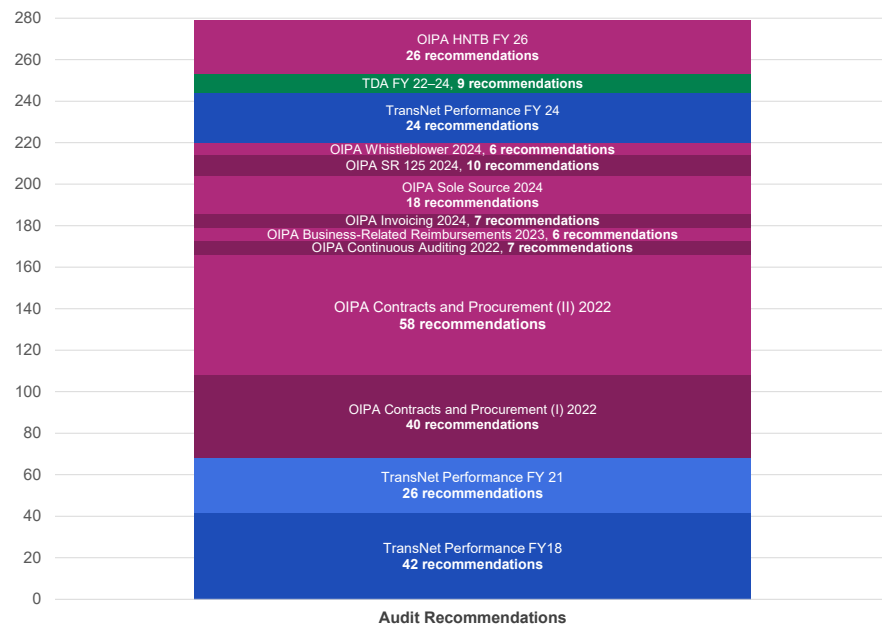
- Communicating SANDAG’s efforts with various stakeholders

- **Synchronizing Audit Efforts**

- Aligning audit efforts to provide a coordinated and more efficient overview and response to recommendations

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Audit Recommendations

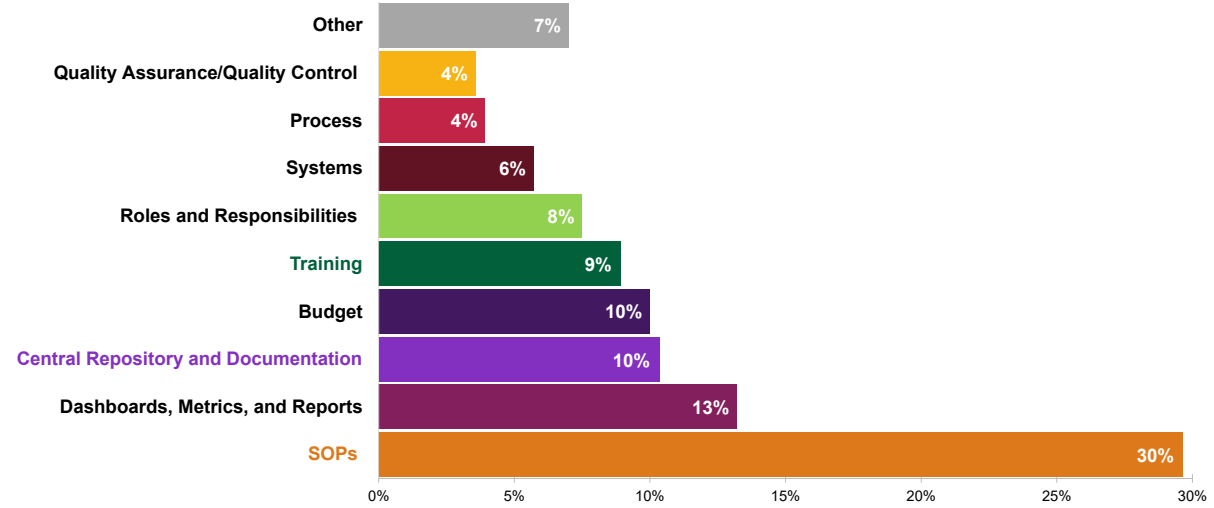


As of 9/25/2025

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Audit Recommendations

Common themes



As of 9/25/2025 | Note: Totals may not add up exactly due to rounding.

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Area of Focus

Standard Operating Procedures (SOPs)

To illustrate recommendations related to SOPs from other audits

Theme	Recommendation	OIPA Procure P1	OIPA Procure P2	OIPA Sole Source
SOPs	Update the Procurement Manual to include and define all possible contract types that are awarded			3.3
SOPs	Review the sole source policies, processes, and procedures to ensure a clear understanding of allowed sole sources, limitations around sole sources, and the review and approval requirements of sole sources.	7.4		
SOPs	Create policies and standard operating procedures to ensure sole sources are limited and are thoroughly being reviewed and analyzed to ensure potential risks are mitigated.		2.2	

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Area of Focus

Standard Operating Procedures (SOPs)

To illustrate recommendations related to SOPs from other audits with HNTB rolled recommendations rolled in

Theme	Recommendation	OIPA Procure P1	OIPA Procure P2	OIPA Sole Source	OIPA HNTB FY 26
SOPs	Update the Procurement Manual to include and define all possible contract types that are awarded			3.3	
SOPs	Review the sole source policies, processes, and procedures to ensure a clear understanding of allowed sole sources, limitations around sole sources, and the review and approval requirements of sole sources.	7.4			
SOPs	Create policies and standard operating procedures to ensure sole sources are limited and are thoroughly being reviewed and analyzed to ensure potential risks are mitigated.		2.2		
SOPs	Establish a checklist-based review process for all contract amendments to ensure changes in scope, deliverables, cost, or schedule are fully documented and justified. Require supervisory review to ensure compliance.				3.3
SOPs	Update contract templates to ensure spending limits are accurately documented as required and approvers' names, in addition to signature, are present.				1.7

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HNTB Audit Management Response

Management Agrees with the Recommendations

	Summary of Recommendations	Management Response
Standard Operating Procedures (SOPs)	<p>Develop Policies and Procedures</p> <ul style="list-style-type: none"> • Ensure Independent Cost Estimates (ICEs) are current and reviewed (1.1) • Guidance on use of new task order vs. amending existing (1.6) • Update guidance and contract templates <ul style="list-style-type: none"> ○ Spending limits accurately documented (1.7) ○ Roles and responsibilities in multi-vendor projects are clearly defined (3.2) ○ Checklist for contract amendments (3.3) • Project Management SOPs (2.1, 2.2, 2.4, 2.5, 2.6; 3.1) <p>Implemented</p> <ul style="list-style-type: none"> • Rec 1.4 <ul style="list-style-type: none"> ○ On-Call Firm Form replaced with History of Procurement Form • Rec 2.4 <ul style="list-style-type: none"> ○ Project Milestones and Deliverables Template documents completion of milestones and deliverables 	<ul style="list-style-type: none"> • Current procedures require ICE forms be uploaded in CMS for review and routing • Some recommendations will require us to review existing practices and determine the best ways to incorporate recs • Project Management SOPs <ul style="list-style-type: none"> ○ Management is developing comprehensive project management guidance • Target Date <ul style="list-style-type: none"> ○ March 31, 2026

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HNTB Audit Management Response

Management Agrees with the Recommendations

	Summary of Recommendations	Management Response
Central Repository and Documentation	<p>Processes for:</p> <ul style="list-style-type: none"> linking task orders and amendments to originating task order solicitations for phased projects (1.2) Assigning competition types to contracts in CMS (4.3) Establish and enforce naming convention or identifier for contracts in CMS (4.4) Project Management (1.5, 2.3, 3.4) <p>For HNTB Contracts and Selection</p> <ul style="list-style-type: none"> Update documentation for bid invites and vendor selection (1.3) Ensure contract and task orders documents are complete, accurate, and entered in system (4.1, 4.2) 	<ul style="list-style-type: none"> Currently in the process of refining the procurements document repository <ul style="list-style-type: none"> Determine how best to build in linking task orders, assigning competition types, and naming conventions HNTB items <ul style="list-style-type: none"> Identify projects that are ongoing or new Review the information that exists Add outstanding items and/or include a note to file if documentation does not exist Target Dates <ul style="list-style-type: none"> Between January 31, 2026 and April 30, 2026

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HNTB Audit Management Response

Management Agrees with the Recommendations

	Summary of Recommendations	Management Response
Training	<ul style="list-style-type: none"> Train Project Managers on contract monitoring responsibilities (2.7) 	<ul style="list-style-type: none"> Management is developing comprehensive project management guidance, which will encompass roles and responsibilities, planning, project monitoring, documentation requirements, etc. <ul style="list-style-type: none"> Upon development of guidance, management will train staff Target Date <ul style="list-style-type: none"> June 30, 2026

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HNTB Audit Management Response

Management Agrees with the Recommendations

	Summary of Recommendations	Management Response
Records Management System (Agencywide)	<ul style="list-style-type: none"> Evaluate allocation of resources necessary for creation of formal records management system (4.5) Assign Director-level ownership to ensure accountability of records (4.6) 	<ul style="list-style-type: none"> Management acknowledges the benefits associated with a records management system <ul style="list-style-type: none"> Evaluate options for best incorporating records management oversight within existing resource capacity and organizational structure Target Date <ul style="list-style-type: none"> April 30, 2026
Quality Control	<ul style="list-style-type: none"> Audit sample of task orders quarterly to ensure proper documentation is maintained and SOPs are followed (2.8) 	<ul style="list-style-type: none"> Management, will: <ul style="list-style-type: none"> Establish a compliance baseline Test two quarters Determine if to continue quarterly reviews or switch to annual Target Date <ul style="list-style-type: none"> September 30, 2026

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HNTB Audit Management Response

Management Agrees with the Recommendations

	Summary of Recommendations	Management Response
Performance Metrics	<ul style="list-style-type: none"> Incorporate adherence to policies and procedures into Project Manager's annual performance evaluations and require supervisors to sample Project Manager's work and document compliance during annual evaluations (2.9) 	<ul style="list-style-type: none"> Management is developing comprehensive project management guidance, which will encompass roles and responsibilities, planning, project monitoring, documentation requirements, etc. <ul style="list-style-type: none"> Incorporate regular project status update meetings with Senior Director and CEO level to monitor project progress Target Date <ul style="list-style-type: none"> April 30, 2026

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Next Steps



Continue Synchronizing Audit Efforts

Ongoing



Focus on CAP items due by Dec 31st

Q1 and Q2 FY26



Assess CAP items due Q3 FY26

Q2 FY26

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