

**STATUS REPORT: NOVEMBER 6, 2006
MANAGEMENT AUDIT - GENERAL RECOMMENDATIONS**

AUDIT RECOMMENDATION	STAFF RESPONSE	ACTION	STATUS/COMPLETED
Develop additional performance indicators for annual measurement of RCA progress.	CONCUR	Annual report provides necessary measurements of our performance.	Completed: The 2005 Annual Report is on today's Board agenda.
Consider partnering with another regional JPA for annual audits of MSHCP fee collections.	CONCUR	We have commissioned an audit for the last and the current fiscal years to comply with state law. We will coordinate with RCHCA for our FY 2006-07 audit.	Completed: The FY 2004-05 Audit report is on today's agenda (Item 7.2), and we are preparing for the FY 2005-06 audit. Staff will begin conducting random audits of permittee fee collections this fiscal year rather than contracting out for this service.
Adopt a formal purchasing policy and/or contract with County or other appropriate purchasing officers for procurement services.	CONCUR	Staff will investigate contracting with the County or other agency for procurement services.	Status: Staff is negotiating as part of the master agreement with the County which will be presented to the Board in the first quarter of the 2007.
Develop a budget for FY 2006-07 that clearly identifies the amounts to be received and spent for Administration, Land Acquisition and Reserve Management and Monitoring.	CONCUR	We recognized some months ago that our budget needed to be constructed to address specific obligations under the Plan. Our FY 2006-07 budget will clearly define revenues and expenditures according to land acquisition, management / monitoring, and administration.	Completed. The FY 2006-07 budget adopted by the Board on May 1, 2006, clearly defines revenues and expenditures according to land acquisition, management / monitoring, and administration.
Include a 2% reserve for contingencies line item in future budgets.	CONCUR	Contingency built into estimated revenue for FY 2006-07.	Completed. Assumed 25% reduction in development fees and budgeted at 90% of expected revenue for FY 2006-07.
Budget only 90% of anticipated revenue in future spending plans.	CONCUR	Implemented in our FY 2006-07 budget.	Completed. Implemented in FY 2006-07 budget adopted by the Board on May 1, 2006.
Report on budget status and land acquisition goals quarterly.	CONCUR	In FY 2006-07 staff will provide periodic budget reports to the Board. We are currently reporting our land acquisition status to the Board monthly.	Completed: We provide land acquisition status reports at every Board meeting and will provide a mid-year budget report in January 2007.
Continue meeting with staff-level personnel from other agencies, including an analyst from RCA, to track and monitor grant status.	CONCUR	Staff holds weekly meetings on land acquisition issues, which include grant status.	Completed weekly.
Maintain, and distribute with agenda packets, a follow-up list of items requiring additional staff work, and include the staff assigned and the estimated dates of completion.	CONCUR	Staff has revised the Board agenda format to include call-back items for future report/action.	Completed. Call back items are listed monthly on each Board Agenda.
Revise the RCA bylaws to reflect actual practices regarding standing committees.	CONCUR	This is another issue that staff recognized needed attention. Staff is preparing a recommendation on the structure of all standing committees. The item should be ready for Board consideration in July.	Completed: On July 24, 2006 the Board approved proposed modifications to the standing committees. Resolution No. 06-10 amending the Authority's Bylaws to reflect these changes was introduced on today's agenda (Agenda Item 7.5) and if approved, will be agendized for final adoption in October.
Develop standard policies and procedures for handling donations of cash and real property.	CONCUR	Staff will develop a policy and present it to the Board of Directors for approval.	Completed: Staff has developed and implemented policies and procedures for handling of the Authority's assets.
Follow up with legal counsel to ensure Form 700 filing requirements are met.	CONCUR	On April 3, 2006, the Board adopted Resolution No. 06-04 Adopting and Amended Appendix of the Authority's Conflict of Interest Code.	Completed. On April 3, 2006, the Board adopted Resolution No. 06-04 which Amended the Appendix of the Authority's Conflict of Interest Code.
Designate the RCA Clerk of the Board as the Form 700 filing official, and direct the designee to work with the filing officer to obtain proper guidance on processes.	CONCUR	On April 3, 2006, the Board adopted Resolution No. 06-04 Appointing the Director of Administrative Services as the Authority's Filing Officer/Official.	Completed. On April 3, 2006, the Board adopted Resolution No. 06-04 Appointing the Director of Administrative Services as the Authority's Filing Officer/Official.
Maintain a manual of adopted policies, and a list of executed contracts, and ensure that policies and contracts are updated or renewed as appropriate.	CONCUR	In regard to policies, staff has drafted and is submitting to the Board over the next couple of months, various administrative policies for consideration. The Board approved land acquisition policies at their March 6, 2006 meeting. These policies and related procedures will be memorialized in an administrative manual. Our contracts are organized in a binder for reference.	Completed. Ongoing. The Board approved Land Acquisition Policies on March 6, 2006 (Agenda Item 8.2).

**STATUS REPORT: NOVEMBER 6, 2006
MANAGEMENT AUDIT - ORGANIZATIONAL RECOMMENDATIONS**

AUDIT RECOMMENDATION	STAFF RESPONSE	ACTION	STATUS/COMPLETED
Adopt the organizational structure described in the report.	CONCUR BUT WITH QUALIFICATIONS	Concur with basic structure, but will recommend modifications. Positions will be requested and funded within budget constraints. The Executive Director will maintain a current organizational chart.	Completed: A current organizational chart was presented to the Board at the July 2006 meeting.
Reclassify several positions within the RCA.	GENERALLY CONCUR	Staff is evaluating assigned positions reclassification studies for existing staff where appropriate. We will bring forward a recommendation shortly.	Completed: Staff initiated and County Human Resources completed reclassification studies on three RCA positions on June 9, 2006. The reclassifications were approved by the Board on August 7, 2006.
Transfer assigned TLMA employees to RCA.	CONCUR	We are in the process of transferring the remaining employees from TLMA to RCA.	Completed 04-13-06.
Develop a formal agreement with County Human Resources that details the type of services to be provided to the RCA, and the estimated cost of those services.	CONCUR	Staff is in the process of negotiating a master agreement with the County.	Status: Staff is negotiating a master county contract with the County Executive Office and will present to the Board for consideration during the first quarter of calendar year 2007.
Develop a formal contract with Facilities Management to provide real property agent services through 2006, with the option to renew.	CONCUR	Our recently adopted land acquisition policies provide for just this type of arrangement.	Completed. Land Acquisition Policy adopted by the Board on March 6, 2006 (Agenda Item 8.2).
By the beginning of 2007, evaluate whether to continue employing County employees to perform RCA work, or to develop an independent structure of core RCA employees, with separate personnel policies and retirement and benefit contracts.	GENERALLY CONCUR	We have investigated the idea of creating a separate independent agency similar to RCTC, with its own employees, personnel policies, and benefit contracts. However, we believe it would be premature and costly for the RCA to execute such a plan even in 2007. The current arrangement with the County provides a good value for the RCA. As the RCA continues in its formative stages, staff recommends continuing the current arrangement with the County for two to three years. At that time we may wish to re-evaluate options to developing an independent structure.	Status: We are continuing to evaluate this on a periodic basis with the County's Executive Officer.