

SANDAG

OIPA

Office of the Independent
Performance Auditor

Fiscal Year 2024 External Audit Recommendation Compilation

Update as of August 30, 2024



Courtney Ruby, CPA, CFE

Independent Performance Auditor

Message from the Independent Performance Auditor

I am pleased to present a compilation of SANDAG's External Audit Recommendations as of August 30, 2024, prepared by the Office of the Independent Performance Auditor (OIPA).

As part of OIPA's authorized annual audit work plan, OIPA requests SANDAG Management provide annual updates on the corrective actions outlined in their response to each external audit. No additional testing or verification is performed by OIPA staff in relation to external audit recommendations.

At the close of each fiscal year, OIPA compiles and publishes a list of all audit recommendations awaiting implementation that were provided by external auditors in prior years, along with any additional recommendations from audits completed in that fiscal year.

The external audits included in this year's compilation include SANDAG's Fiscal Year 2023 Audited Annual Comprehensive Financial Report, overseen by the Audit Committee, and the TransNet audits overseen by the Independent Taxpayer Oversight Committee (ITOC) which include: the Triennial TransNet Performance Audits from Fiscal Years 2024, 2021, and 2018, and the Fiscal Year 2023 TransNet Extension Activities Audit.

This report is designed to be a straightforward tool for the Audit Committee, Board of Directors, Management and the public to easily reference the status of all outstanding external audit recommendations. It also serves to ensure that recommendations do not languish and that common organizational trends, if any, are identified and addressed from a broader management perspective.

OIPA would like to thank Management for their assistance in collecting and updating all the external audit recommendations included in this year's compilation.

Sincerely,



Courtney Ruby, CPA, CFE
Independent Performance Auditor

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Audits in this Compilation

FY 2023 Annual Audited Comprehensive Financial Report

The Annual Comprehensive Financial Report presents the financial position and activity of SANDAG and its three component units, which include the San Diego County Regional Transportation Commission, SourcePoint, and the Automated Regional Justice Information System (ARJIS). The audit is conducted by an outside certified public accounting firm and examines SANDAG's internal controls over financial reporting.

TransNet Triennial Performance Audits (2024, 2021, 2018)

TransNet is a half-cent sales tax approved by voters in 1987 to improve transportation infrastructure in the San Diego region. The TransNet Extension Ordinance and Expenditure Plan, approved by voters in 2004, established the Independent Taxpayer Oversight Committee (ITOC). As part of its duties under this ordinance, the ITOC oversees a triennial performance audit of SANDAG and other agencies' progress on TransNet-funded projects and programs for the preceding three-year period. These audits include examinations of major corridor project delivery and grants funded by TransNet, determinations of TransNet project alignment with the Regional Transportation Plan, and updates on the implementation of prior audit recommendations.

FY 2023 ITOC TransNet Extension Activities

In addition to the TransNet Triennial Performance Audit, the ITOC also oversees a TransNet and TransNet Extension Activities Fiscal and Compliance Audit at the end of each fiscal year. This audit is designed to determine whether recipients of TransNet funds are in compliance with the TransNet Ordinance and TransNet Extension Ordinance for that fiscal year.

Implementation Status Definitions

The Office of the Independent Auditor (OIPA) contacted SANDAG departments following the close of Fiscal Year 2024 to obtain updates on all outstanding external audit recommendations. Recommendations that were recorded as “Implemented” in OIPA’s Fiscal Year 2023 External Audit Report have been closed and are not included in this compilation. Each recommendation was categorized as follows:

Pending – The recommendation is not scheduled to be implemented yet per the responsible party’s initial response to the external auditors.

Not started – The responsible party temporarily postponed implementing the recommendation or did not demonstrate sufficient progress toward implementing the recommendation.

Started – The responsible party began implementing the recommendation, but considerable work remains.

Partly Implemented – The responsible party satisfied some elements of the recommendation, but additional work and testing remains.

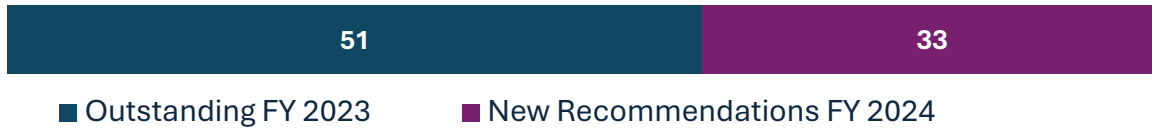
Implemented – The responsible party implemented the recommendation.

Dropped – The IPA eliminated the recommendation due to a change in circumstances rendering it no longer necessary, or recommendation was determined to be outside of audit scope.

Summary of Recommendations

At the end of Fiscal Year 2023, there were **51 outstanding external audit recommendations** that carried over into 2024. These included 24 from the 2018 TransNet Triennial Performance Audit, and 27 from the 2021 TransNet Triennial Performance Audit.

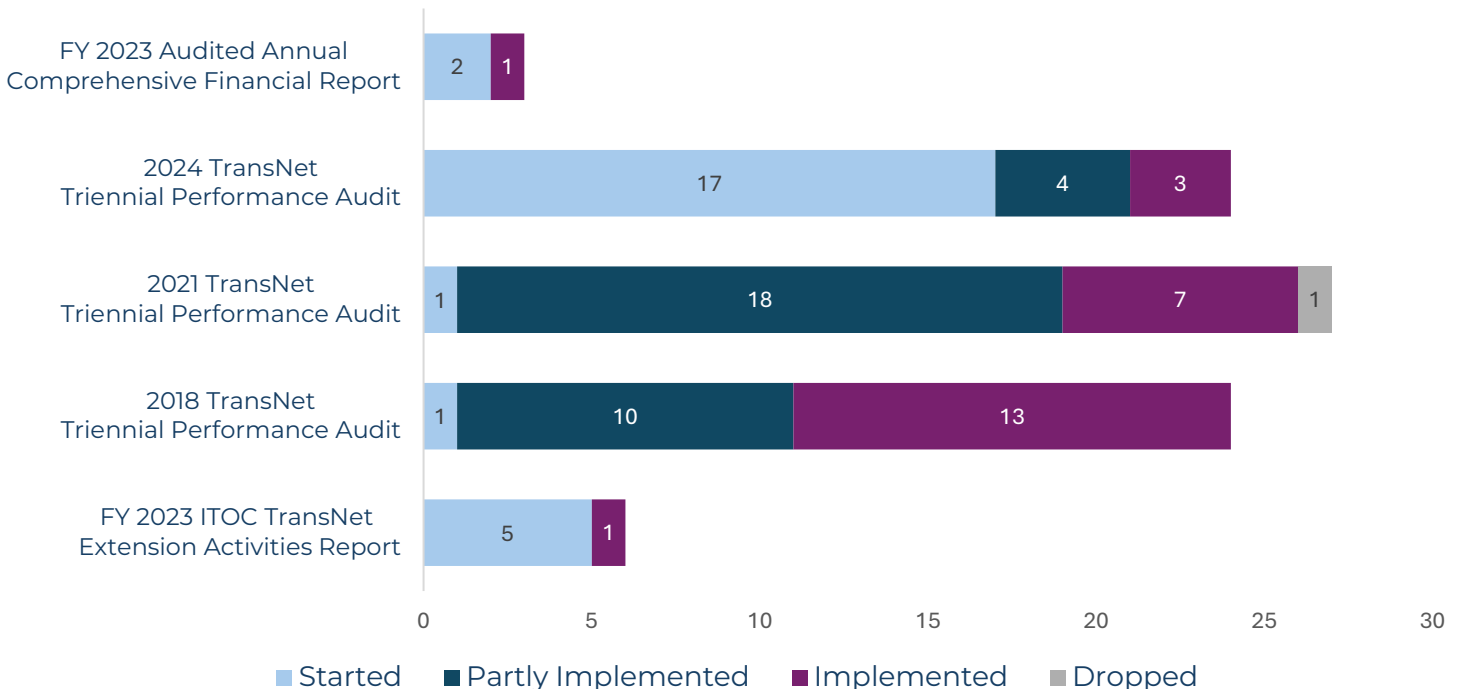
In Fiscal Year 2024, three (3) additional external audits were completed, adding a total of **33 new recommendations** for tracking.



Of these 84 recommendations, **25 were implemented** during Fiscal Year 2024 and **1 was dropped**, leaving **58 remaining** to be tracked into Fiscal Year 2025.



The following report further details each of these recommendations and the most recent implementation status, as provided by SANDAG Management.



FY 2023 Audited Annual Comprehensive Financial Report

Publish Date: June 2024

Recommendation	Number	Status	Management Comments
<p>Auditing standards indicate that material adjustments identified through the audit process are evidence of a weakness in SANDAG’s internal control structure. Efforts should be made to enhance SANDAG’s year-end closing procedures to include areas that resulted in audit adjustments.</p>	<p>1.1</p>	<p>Started</p>	<p>The year-end process for FY 2024 is underway with a number of revisions to the process being made to improve review and accuracy of accounting entries. Three key accounting staff positions have been filled since the audit period last year. We have established a timeline for the year-end process that incorporates additional time for adequate review of accounting entries before they are provided to the auditors. To check for missing or incorrect accounting entries, a year-over-year variances analysis has been created and is being used earlier in the year-end process. Accounting staff also took a proactive approach of identifying complex financial entries early in the year-end process, so they could be discussed with Davis Farr before the accounting entries were finalized. These key personnel are leading the Finance Team in preparing for the annual audit deadlines. The team has developed timelines and a year-end task list that provides visibility to the process and the progress of each task.</p> <p>Coordination with the rest of the agency is another focus area. From June to early August 2024, communications went out to the entire agency describing the year-end process and deadlines. The ongoing communication to the entire agency of important invoice deadlines has helped to complete the entry and accrual of FY 2024 invoices in a timely manner.</p>
<p>SANDAG should continue to evaluate the back-office system to verify the accuracy of toll transactions, billing to customer accounts, and related accounting transactions recorded in the SR 125 fund. SANDAG should develop additional controls to regularly monitor the transactions recorded by the back-office system for timely detection of errors.</p>	<p>2.1</p>	<p>Started</p>	<p>Documentation provided on ETAN fixes implemented as a result of the customer account review.</p>
<p>We recommend SANDAG enhance the system of internal controls for identification of federal awards subject to the single audit requirements and the preparation and review of the SEFA for accuracy and completeness.</p>	<p>3.1</p>	<p>Implemented</p>	<p>Schedule of Expenditures of Federal Awards (SEFA) procedures updated as of 9/9/2024</p>

2024 TransNet Triennial Performance Audit

Publish Date: May 2024

Recommendation	Number	Status	Management Comments
Ensure SANDAG Executive Management designated staff to have assigned responsibility for tracking against the Ordinance major corridor planned pledges at a detailed location boundary and scope level to be able to demonstrate what actual improvements were made.	1.1	Partly Implemented	SANDAG's new CFO, Dawn Vettese, is designated as the Executive Management responsible for overseeing the implementation of the TransNet Action Plan, including tracking against the Ordinance major corridor planned pledges. The hiring process has begun to fill the designated, budgeted position, and we anticipate this position to be filled on the second quarter of FY 2025.
Revamp or create new tools or spreadsheets to comprehensively track major corridor project delivery against Ordinance planned pledges at a detailed location boundary and scope level.	1.2	Started	Staff completed a new matrix to map the TransNet Ordinance projects to the respective TransNet Capital Improvement Projects (CIPs) and associated 2021 Regional Plan project(s). The matrix identifies the scope and boundaries of each Ordinance that have been completed, are still in process, or planned in the future. Information is also included on initial cost estimates, current funding totals, and clarifying comments where needed.
Make sure the revamped or new tools or spreadsheets comparing actual to planned project delivery for Ordinance major corridor planned pledges at a detailed location boundary and scope level are accurate and supported through links to project fact sheets, budget documents, google maps, or other specific project-level documents validating completion as appropriate	1.3	Started	The project information will be available online under the new proof of concept being developed.
Provide the detailed listing – or highlight just those original TransNet major corridor project boundaries and scopes that were not completed as pledged – to the Board and ITOC for use as part of annual budget conversations as well as the 2025 Regional Plan, and future regional plans.	1.4	Started	In response to recommendations from the 2024 TransNet Triennial Performance Audit, SANDAG staff has prepared a new comprehensive matrix of TransNet Ordinance projects and the corresponding Regional Plan projects and Capital Improvement Projects (CIPs), available on the TransNet Dashboard. Information is included on completion status, project scope, project limits, initial cost estimates, current funding totals, and clarifying comments where needed. The matrix also will be updated in 2025 with the finalization of the 2025 Regional Plan to correlate the remaining projects to their associated project number in the 2025 Regional Plan.
Update data in the TransNet Dashboard – or alternate public facing system designated in place of the Dashboard – on monthly basis to ensure up to date budget, expenditure, schedule, and status information is comprehensively available for both current in-progress major corridor projects and previous major corridor projects completed.	1.5	Started	Staff is working with IT to develop a plan to include prior CIP completed TransNet Major Corridor and Bike projects to the Dashboard. Data is still available in SharePoint if needed.

Recommendation	Number	Status	Management Comments
Work with MTS and NCTD to closely monitor ridership on the TransNet- funded routes against service frequency levels and report to the SANDAG Board and ITOC on the impact service adjustments may have on riders, including how actual services align with the original plans in the TransNet Ordinance.	2.1	Started	A new ridership dashboard tool will be introduced to planners and the public in the fall of 2024 to provide planners with an improved way to monitor ridership against service levels. Ridership and service frequency levels and their impacts on ridership will be added to the annual State of Commute Report brought to the Board and ITOC. The next TransNet Ordinance Amendment will include documentation on past and current service levels.
Ensure decisions made regarding funding MTS' and NCTD's transit operating service gaps or frequency expectations are documented with rationale supporting decisions and incorporated into Ordinance amendments as warranted.	2.2	Partly Implemented	At the quarterly Regional Short-Range Transit Planning (RSRTP) Task Force meetings, transit planning staff from SANDAG, MTS, and NCTD discuss the rationale for planned service levels as they relate to funding and ridership changes. Ridership and service frequency levels and their impacts on ridership will be added to the annual State of Commute Report brought to the Mobility Working Group, ITOC, and Board. The next TransNet Ordinance Amendment will include documentation on past and current service levels.
Ensure Executive Management designate staff with the assigned responsibility for tracking future remaining major corridor projects against the Ordinance planned pledges at a detailed location boundary and scope level to be able to demonstrate what actual improvements are planned and which remaining major corridor projects will not be completed.	3.1	Partly Implemented	SANDAG's new CFO, Dawn Vettese, is designated as the Executive Management responsible for overseeing the implementation of the TransNet Action Plan, including tracking against the Ordinance major corridor planned pledges. The hiring process has begun to fill the designated, budgeted position, and we anticipate this position to be filled on the second quarter of FY 2025.
Establish tools or mechanisms to track remaining Ordinance major corridor projects (boundaries and scope) clearly and accurately against the 2021 Regional Plan and future regional plans, including maintaining underlying supporting data reported.	3.2	Started	The Matrix completes the first section of this recommendation as to tracking projects against the 2021 Regional Plan and future plans.
Make sure the new tools or mechanisms comparing remaining Ordinance major corridor projects to regional plans at a detailed location boundary and scope level are accurate and supported through links to planning documents, budget information or plans of finance, or other documents as appropriate.	3.3	Implemented	Staff completed a new matrix to map the TransNet Ordinance projects to the respective TransNet Capital Improvement Projects (CIPs) and associated 2021 Regional Plan (RP) project(s). The matrix identifies the scope and boundaries of each Ordinance that have been completed, are still in process, or planned in the future. Information is also included on initial cost estimates, current funding totals, and clarifying comments where needed. A link has been added in the Matrix to send the reader directly to Appendix A with the associated 2021 RP project.

Recommendation	Number	Status	Management Comments
Provide a detailed listing to the Board and ITOC annually – or highlight those remaining original TransNet major corridor project boundaries and scope that will not be completed as pledged – starting in 2024 before completion of the future 2025 Regional Plan and regularly thereafter	3.4	Partly Implemented	In response to recommendations from the 2024 TransNet Triennial Performance Audit, SANDAG staff has prepared a new comprehensive matrix of TransNet Ordinance projects and the corresponding Regional Plan projects and Capital Improvement Projects (CIPs). The matrix will also be updated in 2025 with the finalization of the 2025 Regional Plan to correlate the remaining projects to their associated project number in the 2025 Regional Plan.
Present proposed amendment to the Board to align planned major corridor projects from the TransNet Ordinance with the current 2021 Regional Plan as required by the TransNet Ordinance.	3.5	Started	
Present the details of the next Plan of Finance to the Board and ITOC including specific amounts of funding shortfalls by subprogram and program-wide, in addition to the timeframe when shortages may begin to affect project delivery.	4.1	Started	Staff established timeline for the 2024 POF and are working on updating costs and revenues to present to the BOD/ITOC in early 2025.
Develop specific options and corresponding timelines on possible actions to address funding shortfalls for the Board and ITOC that clearly state the impact of each option at the project- level, including how options will compare to what was originally pledged in the ordinance for each project.	4.2	Started	Funding shortfalls will be determined during the run of the 2024 POF.
Develop, implement, and use a format, transparent, and vetted methodology and strategy for reprioritizing pledged ongoing and future TransNet major corridor projects against limited funding – including how funds are moved between projects and factors are weighed for starting new projects when other ongoing projects may have unmet funding needs.	4.3	Started	Staff is creating a funding matrix for TransNet funded projects that will provide greater transparency to how projects are selected for TransNet funds.
Revamp the smart growth grant application form to clearly identify quantified, detailed objectives and deliverables to allow for meaningful analysis.	5.1	Started	Grants staff have held discussions with Planning staff about possible updates that could be made and would be relevant to each particular project type. Staff also mentioned these updates would be made to the upcoming Cycle 6 call for projects during the Sustainable Communities, Mobility, and Social Equity Working group meetings in June 2024 as well as the Transportation Committee meeting in July as part of soliciting feedback for the call for projects.

Recommendation	Number	Status	Management Comments
Require grantees to include a well- defined description of what will be constructed through the project to affect desired smart growth outcomes.	5.2	Started	Grants staff have held discussions with Planning staff about changes to the application template that could be made to address this item.
Require grantees to report on the quantifiable performance metrics now required in grant awards related to promoting smart growth goals to create compact, walkable, bikeable and transit-oriented communities and increase housing and transportation choices around the region as applicable.	5.3	Started	Grants and Planning staff have conducted research to identify performance measures that could be used and are working on adding these to the Cycle 6 call for projects.
Put practice in place to summarize grantee performance data, analyze success of grant efforts, and reports to ITOC.	5.4	Started	Grants staff began requiring performance measures of all new grants awarded in 2022 or later. The data is being collected and will be reported to ITOC beginning in January 2025.
Review grantees final close out reports and investigate any items that grantees marked as "in-progress."	5.5	Implemented	A new Grant Closeout Checklist was implemented in June 2024 that requires all grants to be reviewed in detail prior to processing the final payment or closing out. Included in the checklist is a review of the final progress report to ensure all items are completed, all deliverables have been provided to SANDAG, and that there are no outstanding issues on the project that need to be resolved.
Validate that smart growth grantees met all objectives and verify that grantees provided deliverables at project close-out during site visits.	5.6	Implemented	A new Grant Closeout Checklist was implemented in June 2024 that requires all grants be reviewed in detail prior to processing the final payment or closing out. For construction projects, a site visit is conducted where the Program Manager goes to the project site and verifies that all work was completed per the grant scope of work and documents this on a Capital Project Site Visit Report. The completed checklist and report files are included as an attachment in ERP when the final invoice and retention release requests are routed for approval to ensure that no final payments are made without the required documentation. These process changes will be included in the Standard Operating Procedures that are under development and will be completed in FY25.
Require SANDAG Executive Management to take an active role in overseeing the implementation of the ITOC audit recommendations and hold staff accountable for timely corrective action.	6.1	Started	This is an ongoing effort.
Set timelines for local agency consensus on proposed Ordinance amendments and then take the related amendments to the Board for consideration soon after.	6.2	Started	Staff is working with new Executive Leadership to reestablish a schedule and review of the TransNet Ordinance Amendments.
Immediately propose the amendments to the Board for the ITOC changes and other areas relating to the prior audit recommendations.	6.3	Started	Planned implementation date of 6-2025. ITOC Chair Frankel and subcommittee Chair House in August 2024 requested that the ITOC Ordinance Amendments be delayed due to further time needed to review. An item has been added to the September 2024 ITOC agenda to create a new subcommittee to review the proposed changes and create a new schedule for this item.

2021 TransNet Triennial Performance Audit

Publish Date: March 2021

Recommendation	Number	Status	Management Comments
Clearly identify whether the remaining TransNet Extension Ordinance projects will be part of the 2021 Regional Transportation Plan, before the SANDAG Board approves the 2021 plan, and provide a similar identification for any key changes in future Regional Transportation Plans.	1.1	Partly Implemented	Staff completed a new matrix to map the TransNet Ordinance projects to the respective TransNet Capital Improvement Projects (CIPs) and associated 2021 Regional Plan project(s). The matrix identifies the scope and boundaries of each Ordinance that have been completed, are still in process, or planned in the future. Information is also included on initial cost estimates, current funding totals, and clarifying comments where needed.
Develop regular crosswalks to summarize and compare planned major corridor projects outlined in the TransNet Extension Ordinance with current improvement implementation status by identifying project progress in terms of “complete”, “in-progress”, “cancelled”, or “moved beyond 2048 and outside the TransNet Extension Ordinance period”. SANDAG should complete this reconciliation annually, at the minimum when it revises its Capital Improvement Program Budget, or when SANDAG makes a major update to the Regional Transportation Plan and explain deviations from the TransNet Extension Ordinance including scope expansions, reductions, or mergers with other project segments through a log that captures all explanations. When performing this reconciliation, SANDAG should utilize a consistent numbering format or key identifier for each project to facilitate the tracking of changes over time.	1.2	Partly Implemented	Staff completed a new matrix to map the TransNet Ordinance projects to the respective TransNet Capital Improvement Projects (CIPs) and associated 2021 Regional Plan project(s). The matrix identifies the scope and boundaries of each Ordinance that have been completed, are still in process, or planned in the future. Information is also included on initial cost estimates, current funding totals, and clarifying comments where needed.
Develop and adopt a formal process to address issues identified during annual Plan of Finance updates that discusses short-term and long-term funding scenarios and how options specifically impact the scope and schedule of remaining TransNet Extension Ordinance projects. The plan should include clear methodology, criteria, and triggers for making decisions on TransNet Extension Ordinance projects if funding does not materialize as expected and how to make choices to reduce scope, delay, or eliminate projects from the TransNet Extension Ordinance portfolio.	2.1	Partly Implemented	Staff will document a process to analyze and recommend alternatives based on POF results.

Recommendation	Number	Status	Management Comments
Develop a risk-based approach for Quality Assurance/Quality Control testing and indication of review to strengthen documentation of Quality Assurance/Quality Control activities employed and results to better demonstrate data verifications.	2.2	Partly Implemented	In FY25 Q1, staff are focused on high priority, high risk projects related to Regional Plan inputs such as Regional Forecast SCS scenarios, revenue estimates and performance measures. Our emphasis continues to include thorough and detailed test plans, with ongoing communication with SMEs., incorporation of Python scripting to ensure repeatable and well documented QA processes, and recommendation of best practices to SMEs regarding process methods and documentation.
Enhance organization of Peer Review Process supporting documents by providing a corresponding table to capture topics discussed, reference items to checklists, and close out memos to better link what was planned, what was done, and how issues were addressed.	2.3	Partly Implemented	In FY25 Q1, staff has conducted or planned peer reviews on Commercial Vehicle Modeling, Vision Zero Action Plan Safety Corridor Network, transit study data analysis and the TransNet Plan of Finance update. Staff are incorporating recommended summary tables before finalizing peer review documents.
Clearly describe to the Board the Quality Assurance/Quality Control sampling methodology employed, any limitations of the data, and associated cost-benefits or risks of the approach.	2.4	Partly Implemented	As new items that have undergone QA and/or PRP review go to the Board, staff will add information on risk assessment, prioritization, limitations of data and sampling per auditor recommendations.
Continue valuable efforts to formalize and pursue a mature system of Quality Assurance/Quality Control policies and procedures as well as consistent implementation of the policies and procedures.	2.5	Implemented	Per the TransNet Performance Auditor's 2024 review, this item is considered complete and will be maintained going forward.
Clearly and comprehensively report on actual progress and accomplishments (or lack thereof) against the TransNet Extension Ordinance on a regular, periodic basis—such as quarterly or annually—for project scope, costs, schedule, accomplishments, and outcomes against promises.	3.1	Partly Implemented	Staff completed a new matrix to map the TransNet Ordinance projects to the respective TransNet Capital Improvement Projects (CIPs) and associated 2021 Regional Plan project(s). The matrix identifies the scope and boundaries of each Ordinance that have been completed, are still in process, or planned in the future. Information is also included on initial cost estimates, current funding totals, and clarifying comments where needed.
Demonstrate compliance with the TransNet Extension Ordinance by identifying, tracking, and reporting on various requirements and provisions to the Board and ITOC on a regular, periodic basis—such as quarterly or annually.	3.2	Partly Implemented	Staff has completed a TransNet Ordinance vs. CIP Matrix and will present this to the ITOC in September 2024.
Implement shorter-term steps to report on performance, while waiting on the longer-term Transportation Performance Management Framework, including continued development of SANDAG's proposed "Goals and Provisions" document to distribute to the Board and ITOC.	3.3	Partly Implemented	Staff has created a TransNet Ordinance Matrix and will be updating the Quarterly Reports to provide more graphical representations. New staff will be hired in FY 2025 to focus on this recommendation and will work with the Communications team to provide a more graphical representation of TransNet Ordinance reporting.
Create summarized graphics to quickly indicate TransNet Extension Ordinance status based on data in the revised quarterly reports for reporting to the Board and ITOC.	3.4	Partly Implemented	Staff has created a TransNet Ordinance Matrix and will be updating the Quarterly Reports to provide more graphical representations. New staff will be hired in FY 2025 to focus on this recommendation and will work with the Communications team to provide a more graphical representation of TransNet Ordinance reporting.

Recommendation	Number	Status	Management Comments
<p>AB 805 Weighted Voting Did Not Significantly Change Delivery of TransNet Extension Ordinance Programs and Projects.</p> <p>No recommendations in this Chapter.</p>	4	Dropped	No recommendations to track related to this finding.
<p>Consider the benefits of identifying a regional safety planning coordinator to synchronize safety efforts of the region and regularly communicate progress on safety goals to the Board and ITOC.</p>	5.1	Implemented	Technically, SANDAG considered the benefits and has taken steps to develop a Regional Vision Zero action plan, that if implemented, would help synchronize regional safety efforts and set goals and strategies for the region.
<p>Consider and prepare a regional safety plan that complements Caltrans' Statewide Plan and details SANDAG's vision, goals, objectives, and strategies to address regional trends, road conditions, and driving behaviors.</p>	5.2	Partly Implemented	The Final Vision Zero Action Plan will be presented to the Transportation Committee in Fall 2024. After the presentation to the Transportation Committee, as an Information Item, this recommendation can be deemed complete.
<p>Consider ways to encourage state and local emergency, planning, and response entities to include SANDAG in discussions and local plans related to emergency capacity so that regional planners stay informed and collaborate on emergency and resilience issues.</p>	5.3	Partly Implemented	Staff will continue outreach and engagement process development, including emergency response stakeholder representation on the multidisciplinary Technical Advisory Group for the Regional Vision Zero Action Plan. Staff will provide regular updates to SANDAG working groups and policy advisory committees.
<p>Consider estimating and communicating to the Board and ITOC the quantifiable impact of permit delays on individual Bike Early Action Program projects and the overall Regional Bikeway Program.</p>	6.1	Partly Implemented	SANDAG Staff will report on permit delays in quarterly reporting. SANDAG Staff will discuss whether there is a standard method for determining permit review times for common permit types, projects, and the permitting entities/departments, and at which point those delays can be tracked quantifiably.
<p>Work with the Board to have leadership collaborate with its representatives from the City of San Diego to rectify critical Bike Early Action Program project permit issues.</p>	6.2	Partly Implemented	SANDAG and City of San Diego Executive Meeting took place on Thursday September 5, 2024 with new SANDAG staff in leadership roles to assist in agency coordination and next steps. Staff will continue looking for additional ways to deliver the Bike EAP more effectively and continue working with partner agencies and other stakeholders to better coordinate and expedite project delivery going forward. SANDAG is working with the Engineering and Capital Projects Division at the City of San Diego to improve project review efficiency.
<p>Revise existing quarterly status reports to compare progress against initial Bike Early Action Program plans for costs, schedules, and miles expected and clearly communicate whether the 10-year Bike Early Action Program completion goals or other future project goals are realistic or in jeopardy—in addition to proposing action steps to remedy any identified issues.</p>	6.3	Implemented	The January 11, 2023 presentation of a crosswalk (that will be updated annually) contains this information.

Recommendation	Number	Status	Management Comments
<p>Develop a crosswalk that summarizes and compares planned Bike Early Action Program projects outlined in the Regional Bikeway Program with current project segment implementation status by budget, schedule, phase, and miles. SANDAG should complete this reconciliation annually, at a minimum when it revises its Capital Improvement Program Budget and explain any deviations from Bike Early Action Program plans including scope expansions, reductions, or mergers with other project segments through a log that captures all explanations.</p>	6.4	Implemented	<p>The crosswalk presented to ITOC on January 11, 2023 (Item 11) summarizes and compares the planned against actuals for budget, schedule, phase, and miles.</p>
<p>Modify TransNet Dashboard data or Board reports to compare actual individual project data against original baseline budgets and schedule by project phase to more clearly show progress against initial plans and provide explanatory context in addition to aligning TransNet Dashboard project phase categories with those used in individual project management tools.</p>	6.5	Partly Implemented	<p>Collaboration has begun with IT, Communications, and the Capital Project Office for the design of a new TransNet Dashboard page on SANDAG.org. Staff is considering options for how to best display project information and categorize projects by phase.</p>
<p>Track and analyze more granular internal project milestones within Bike Early Action Program project phases—such as planned and actual schematic design, detailed design, right-of-way, utility coordination, and construction documents, to better identify where possible impediments and delays occur and may need to be addressed.</p>	6.6	Partly Implemented	<p>SANDAG staff continues to report on project milestones in quarterly reporting, most recently in the July 2024 Bikeways Quarterly Status Report with revisions to the format in progress for project managers to use in the next (October) Quarterly Status Report to better facilitate this granular milestone tracking.</p>
<p>Provide extra scrutiny on less certain Regional Bikeway Program on assumed funding from less certain sources, including the state's Active Transportation Program competitive grant source, during subsequent updates to the Regional Bikeway Program Plan of Finance, to identify potential capacity and revenue constraints or opportunities and have annual processes in place to evaluate and modify the mix of projects if funding does not occur as expected.</p>	6.7	Started	<p>The next Plan of Finance is in development and anticipated to be presented by December 2024.</p>
<p>Ensure TransNet Dashboard Bike Early Action Program schedule and budget fields are complete and include explanatory notes on why particular data may not be applicable to a project stage in addition to consider splitting certain projects and their related cost and schedule data into phases on the TransNet Dashboard when SANDAG plans for a staggered delivery.</p>	6.8	Implemented	

Recommendation	Number	Status	Management Comments
<p>Incorporate existing conflict-of-interest policy clarifications from ITOC new member onboarding resources into recruitment materials, emphasize in recruitment efforts that a potential conflict does not automatically disqualify prospective applicants, and clarify when members should recuse themselves from certain decisions because of potential perceived conflicts</p>	7.1	Implemented	
<p>Modify the TransNet Extension Ordinance language to be consistent with the service limits for all members regardless of whether a member joins the committee to fill a full-term position or mid-term vacancy.</p>	7.2	Implemented	
<p>Consider expanding the ITOC qualifications to include knowledge of emerging topics SANDAG presents before the committee such as multi-modal planning, active transportation, transportation system management and operations, transportation planning, performance measures, and legal issues.</p>	7.3	Partly Implemented	<p>On August 1, 2024, the ITOC Chair, Maryam Babaki, and the Subcommittee to Consider ITOC Ordinance Amendments met to discuss the next steps. The ITOC Subcommittee and Chair Babaki decided to postpone their presentation of the Ordinance amendments to the Board so that they can discuss additional revisions to the ITOC membership and the two additional categories.</p>
<p>Explore options and feasibility of moving ITOC candidate screening and selection process outside of the SANDAG Board to maximize appointment transparency and minimize any perceived selection bias.</p>	7.4	Partly Implemented	<p>The ITOC will be asked in September to appoint one subcommittee member. The subcommittee will discuss additional updates to the Ordinance amendments in Fall 2024. Depending on the outcomes of subcommittee discussions, the presentation to the Board is anticipated to be in Winter 2024. As a result, the target completion date will be updated to Winter 2024.</p>

2018 TransNet Triennial Performance Audit

Publish Date: June 2018

Recommendation	Number	Status	Management Comments
ITOC should direct SANDAG to leverage historical data and previous Plans of Finance.	1.1	Partly Implemented	The next Plan of Finance update is anticipated to be presented in early 2025.
ITOC should direct SANDAG to continue efforts to increase the transparency of sales tax revenue forecasts.	1.2	Implemented	
ITOC should direct SANDAG to establish a formal structured protocol to review funding sources.	1.5	Partly Implemented	The next Plan of Finance update is anticipated to be presented in early 2025.
ITOC should direct SANDAG to monitor TransNet revenues and debt service obligations against needed growth projections.	1.6	Implemented	
ITOC should direct SANDAG to identify methods to assess options, if needed, to delay, eliminate, or reduce scope of projects.	1.7	Partly Implemented	TransNet ordinance projects are evaluated with each Regional Plan update using current data such as traffic volumes, population, housing, and jobs forecasts, transportation model performance measure results, compliance with the most recent federal and state requirements, and other factors related to project readiness, constructability timelines, and funding availability. This evaluation will be completed with every Regional Plan update.
ITOC should direct SANDAG to monitor and report on the impacts of changing technologies on the transportation network and future TransNet projects.	1.8	Implemented	
ITOC should request SANDAG to set targets to measure TransNet performance against the TransNet Extension Ordinance goals.	2.1	Partly Implemented	Staff is working with updating the Goals and Provisions sheet to determine how the information should be displayed. Finance staff has been working with Data Science staff to see if data can be presented by Corridor and by FY going back to FY 2009.
ITOC should request SANDAG to capture performance outcome data related to safety metrics, pavement condition, and bridge condition.	2.2	Partly Implemented	Staff is working with updating the Goals and Provisions sheet to determine how the information should be displayed. Finance staff has been working with Data Science staff to see if data can be presented by Corridor and by FY going back to FY 2009.
ITOC should request SANDAG to conduct a more robust analysis of cause and effect for all performance metrics.	2.3	Implemented	
ITOC should request SANDAG to provide regular performance monitoring reports that consider past performance in relation to TransNet goals.	2.4	Partly Implemented	Software is needed for to be completed. Staff also needs to wait for TransNet Ordinance Amendments to be implemented.
ITOC should request SANDAG to consider allocating funding for additional performance monitoring activities.	2.5	Started	
ITOC should request SANDAG to explore and study public-private partnerships.	2.6	Implemented	SANDAG has explored getting this data from private entities, Caltrans, and the federal government. Consider recommendation complete.

Recommendation	Number	Status	Management Comments
ITOC should request SANDAG to begin gathering data on whether the Construction Manager/General Contractor (CMGC) method used on the Mid-Coast Corridor Transit project is delivering on expectations.	3.2	Implemented	Report and analysis will be included in 10.09.24 ITOC meeting.
ITOC should request SANDAG to gather and store documents to support “benefit” statistics tracked for the North Coast Corridor and the Mid-Coast Corridor.	3.3	Implemented	Mid-Coast Corridor: Continue to store collected benefit statistics and supporting documentation and utilize the information to analyze benefits.
ITOC should request SANDAG to revisit the TransNet Extension Ordinance congestion relief and maintenance split.	4.1	Implemented	Mid-Coast Corridor: Continue to store collected benefit statistics and supporting documentation and utilize the information to analyze benefits. NCC Corridor: To be provided by Caltrans.
ITOC should request SANDAG to continue to monitor compliance with SANDAG Board Policy No. 031, Rule 21.	4.2	Partly Implemented	
ITOC should request SANDAG to conduct another review of local projects.	4.3	Partly Implemented	
ITOC should request the SANDAG Board to direct SANDAG to continue to analyze major transit commute routes and services.	5.1	Partly Implemented	Public Transit Ridership Dashboard will be released by the end of calendar year.
ITOC should request the SANDAG Board to direct SANDAG to review and update EMP cost estimates in light of higher costs than anticipated.	7.2	Implemented	
ITOC should request the SANDAG Board to direct SANDAG to consider the most efficient use of available funding and possible adjustments.	7.3	Implemented	
ITOC should request the SANDAG Board to direct SANDAG to make changes, as appropriate, to marketing efforts for the local streets and road mitigation bank funding.	7.5	Implemented	
ITOC should request the SANDAG Board to direct SANDAG to regularly report on implementation of TransNet Extension Ordinance goals.	8.1	Partly Implemented	Staff is working with updating the Goals and Provisions sheet to determine how the information should be displayed. Finance staff has been working with Data Science staff to see if data can be presented by Corridor and by FY going back to FY 2009.
ITOC should request the SANDAG Board to direct SANDAG to revamp SANDAG website to capture documents pertinent to TransNet in a centralized area.	8.4	Implemented	
ITOC should request the SANDAG Board to direct SANDAG to ensure data on completed projects is maintained in the Dashboard.	8.5	Implemented	

FY 2023 ITOC TransNet Extension Activities Report

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Recommendation	Number	Status	Management Comments
City of Coronado must use approved exaction ¹ fee.	1	Started	Will follow up with City to see if they have collected the shortfall. The FY 2024 audit will review the status of this finding.
City of Del Mar must use approved exaction fee.	2	Started	Will follow up with City to see if they have collected the shortfall. The FY 2024 audit will review the status of this finding.
City of El Cajon must use approved exaction fee.	3	Started	Will follow up with City to see if they have collected the shortfall. The FY 2024 audit will review the status of this finding.
City of La Mesa must use approved exaction fee.	4	Started	Will follow up with City to see if they have collected the shortfall. The FY 2024 audit will review the status of this finding.
County of San Diego must use approved exaction fee.	5	Started	Will follow up with County to see if they have collected the shortfall. The FY 2024 audit will review the status of this finding.
City of Solana Beach RTCIP funding not expended nor committed within seven years of collection.	6	Implemented	Since Solana Beach passed resolution 2023-122 on November 8, 2023, the funds were "committed" - bringing the city into compliance. No further action needed on this.

¹ Exaction fee refers to the pre-determined minimum fee collected from the private sector by 18 local cities and the County of San Diego for each new housing unit constructed in that jurisdiction, which is used to fund the Regional Transportation Congestion Improvement Program (RTCIP).