

Preliminary Action Plan

The Port is establishing a Preliminary Action Plan to ensure that the recommendations of the Washington State Auditor's Office and the Performance Auditor are addressed.

The categories below stem from the performance audit's two overarching recommendations and the 49 detailed recommendations. Specific responses to each of the overarching recommendations and all of the detailed recommendations are set forth in the larger response.

The Port intends that all recommendations will be fully addressed by the end of 2008. Several have been implemented already, and many more are under review.

Overarching Recommendation 1: Implement Centralized Procurement

Summary of Response Action: Staff Review of Options and Best Practices, with Recommendations to CEO by March 15, 2008

Actions Currently Underway:

- Hired Outside Facilitator for General Review of Procurement Office Options
- Internal Team formed to make Detailed Recommendations to CEO by March 15, 2008

Overarching Recommendation 2: Revise Resolution 3181 – Capital Delivery and Contract Provisions

Summary of Response Action: Staff Policy Review with Recommendations to CEO for Presentation to Commission by March 15, 2008

Actions Currently Underway:

- Internal Team Formed to Review Relevant Provisions of Resolution 3181 and make Detailed Recommendations to CEO by March 15, 2008

Other Major Actions Implemented or Underway:

- Establishing Publicly Accessible Fraud Hotline
- Revising Ethics Policy for Employees Including Addition of Fraud Provisions
- Continuing Work on TKW Audit Action Plan and Augmenting with Recommendations from SAO Performance Audit
- Continuing Work on internal Professional Services Agreement Audit Action Items and Augmenting with Recommendations from SAO Performance Audit
- Preparing Semi-Annual Reports to Port Commission on Bid Irregularities
- Delivering Semi-Annual Report to Port Commission on Professional Services and other Agreements
- Implementing Revisions to Invoice Processing under PMSC Agreement
- Reviewing Change Orders on T-18 North Apron Contract and Preparing Deductive Change Orders as appropriate

Additional Audit Items for Review and Action:

Internal Process and Documentation Improvements to be Made or Evaluated:

- Project Scheduling Requirements Enforcement
- Change Order Process Improvements
- Change Order File Documentation
- Small Works Process Improvements
- Small Works Advertisements/Solicitations Documentation
- Small Works Roster Program Review
- Professional Services Agreements Improvements
- Consolidation Opportunities for Contract Management Information Systems
- SPOTS MIS Data Updates/Improvements
- LiveLink® Utilization Improvements
- Comprehensive Fraud Risk Assessment and Implementation of Additional Risk Control Measures
- Project Notebook Documentation and Procedures

Additional Policy Issues to be Reviewed:

- Management/Reporting Placement of Port Internal Audit Function
- Additional Fraud/Risk Control Policy Updates/Improvements
- Review “1% for Arts” Policy