OC Board of Supervisors'

Internal Audit Department

ORANGE COUNTY

AUDIT OF SHERIFF-CORONER DMJM H&N CONTRACTS AND A-E CONTRACT MANAGEMENT PROCESS

We audited the Sheriff-Coroner contracts with DMJM H&N and the Architect-Engineering (A-E) contract management process for internal controls, compliance with County and Sheriff-Coroner policies and to recommend opportunities to implement best practices. We found that the Sheriff-Coroner was in compliance with County and Sheriff-Coroner policies with the A-E contracts with DMJM, and had implemented several best practices to ensure the integrity of their A-E contract management processes. In addition, there were opportunities to further enhance their controls and processes which we noted in our report.

AUDIT NO: 2768
REPORT DATE: AUGUST 27, 2008

A Board of Supervisors Directed Audit
Meeting Date: January 15, 2008

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Letter from Director Peter Hughes

Transmittal Letter

Audit No. 2768 **August 27, 2008**

TO: Members, Board of Supervisors
Sandra Hutchens, Sheriff-Coroner

FROM: Dr. Peter Hughes, CPA, Director
Internal Audit Department

SUBJECT: Audit of Sheriff-Coroner DMJM H&N Contracts and A-E Contract Management Process

At the request of the Board of Supervisors on January 15, 2008, we have completed an audit of the Sheriff-Coroner DMJM H&N Contracts and the Architect-Engineering (A-E) Contract Management Process. In response to the Board's request and correspondence with Chairman John M.W. Moorlach's office, we performed the agreed-upon procedures detailed below. Our final report is attached for your review.

1. Review of change orders for recent Sheriff-Coroner contracts with DMJM H&N.
2. Analysis of cost overruns and/or excessive change orders for DMJM H&N (if applicable).
3. Review the Sheriff-Coroner contract management process for A-E contracts such as the DMJM H&N contract.
4. Review the Sheriff-Coroner evaluation panel selection policy and process.
5. Review the County Purchasing Manual policy for reporting of contract costs to the Board of Supervisors and how that policy compares with a sample of other governmental entities.
6. Review DMJM's contract costs and methods of calculation to determine if they are standard for the industry.

Please note we have a structured and rigorous **Follow-Up Audit** process in response to recommendations and suggestions made by the Audit Oversight Committee (AOC) and the Board of Supervisors (BOS). As a matter of policy, our **first Follow-Up Audit** will begin at <u>six months</u> from the official release of the report. A copy of all our Follow-Up Audit reports is provided to the BOS as well as to all those individuals indicated on our standard routing distribution list.

The AOC and BOS expect that audit recommendations will typically be implemented within six months and often sooner for significant and higher risk issues. Our **second Follow-Up Audit** will now begin at <u>six months</u> from the release of the first Follow-Up Audit report, by which time **all** audit recommendations are expected to be addressed and implemented.

At the request of the AOC, we are to bring to their attention any audit recommendations we find still not implemented or mitigated after the second Follow-Up Audit. The AOC requests that such open issues appear on the agenda at their next scheduled meeting for discussion.

While our report indicates the specific areas where our observations and recommendations are directed to the Sheriff-Coroner, there is an expectation by the Board of Supervisors that other County departments and agencies will view this report as a "lessons learned" and consider the enhancements and recommendations for adoption.

We have attached a **Follow-Up Audit Report Form**. Your department should complete this template as our audit recommendation is implemented. When we perform our first Follow-Up Audit approximately six months from the date of this report, we will need to obtain the completed document to facilitate our review.

Each month I submit an **Audit Status Report** to the BOS where I detail any material and significant audit findings released in reports during the prior month and the implementation status of audit recommendations as disclosed by our Follow-Up Audits. Accordingly, the results of this audit will be included in a future status report to the BOS.

As always, the Internal Audit Department is available to partner with your staff so that they can successfully implement or mitigate difficult audit recommendations. Please feel free to call me should you wish to discuss any aspect of our audit report or recommendations.

Additionally, we will request your department complete a **Customer Survey** of Audit Services. You will receive the survey shortly after the distribution of our final report.

Attachments

Other recipients of this report are listed on the Internal Auditor's Report on page 11.

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INTERNAL AUDITOR'S REPORT

Audit No. 2768 **August 27, 2008**

TO: Members, Board of Supervisors
Sandra Hutchens, Sheriff-Coroner

FROM: Dr. Peter Hughes, CPA, Director
Internal Audit Department

SUBJECT: Audit of Sheriff-Coroner DMJM H&N Contracts and A-E Contract Management Process

Audit Highlights

We audited the Sheriff-Coroner contracts with DMJM H&N and the Architect-Engineering (A-E) contract management process for internal controls, compliance with County and Sheriff-Coroner policies and to recommend opportunities to implement best practices. We found that the Sheriff-Coroner was in compliance with County and Sheriff-Coroner policies with the A-E contracts with DMJM, and had implemented several best practices to ensure the integrity of their A-E contract management processes. In addition, there were opportunities to further enhance their controls and processes which we noted in our report.

INTRODUCTION

At the request of the Board of Supervisors on January 15, 2008, we have completed an audit of the Sheriff-Coroner DMJM H&N (DMJM) Contracts and the Architect-Engineering (A-E) Contract Management Process. In response to the Board's request and correspondence with Supervisor John M.W. Moorlach, Chairman's office, the scope of our audit was to perform the following agreed-upon procedures:

1. Review of change orders for recent Sheriff-Coroner contracts with DMJM H&N.
2. Analysis of cost overruns and/or excessive change orders for DMJM H&N (if applicable).
3. Review the Sheriff-Coroner contract management process for A-E contracts such as the DMJM H&N contract.
4. Review the Sheriff-Coroner evaluation panel selection policy and process.
5. Review the County Purchasing Manual policy for reporting of contract costs to the Board of Supervisors and how that policy compares with a sample of other governmental entities.
6. Review DMJM's contract costs and methods of calculation to determine if they are standard for the industry.

BACKGROUND

On January 15, 2008, the County Board of Supervisors directed the Internal Audit Department to perform an informational review of the vendor, DMJM H&N, during Board discussion of the Sheriff-Coroner architect-engineer contract ($2.4 million) with DMJM H&N for the James A. Musick jail expansion master plan. In response to the Board's request and correspondence with Chairman John M.W. Moorlach's office, the scope of our audit was finalized.

Architect-Engineer (A-E) service contracts include architectural, engineering, environmental, and land surveying services, as well as incidental services that members of these professions and those in their employ may logically or justifiably perform.

Examples of A-E services are investigations, designs, plans and specifications, reports, cost estimates, shop drawings, review, and supervision of construction.

A-E service contracts do not fall under the purview of the County Purchasing Agent. These contracts are typically bid and monitored by a department/agency project manager. The Sheriff-Coroner uses their own Research and Development Division project managers or may use OC Public Works to bid and manage A-E contracts.

The Sheriff-Coroner Department is comprised of approximately 4,000 sworn and professional staff members, has an annual budget exceeding $700 million, and consists of four organizational functions (Operations; Investigations/Communications/Court Operations; Special Services; and Jail Operations) that are divided into 21 divisions. Sheriff-Coroner Administration is where the elected Sheriff-Coroner, the Undersheriff, and Assistant Sheriffs carry out their responsibilities.

DMJM H&N is a part of DMJM which is a worldwide company whose services include: architecture, engineering, construction management, consulting, integrated facility management, interior design, and program management. It focuses on: aerospace, industrial, corporate, commercial defense, energy, education, government, hospitality, justice, recreation, public, and transportation industries. DMJM has been in business for 60 years and 25 years ago established a justice group specializing in justice-related buildings, which includes jails and detention/corrections facilities.

AUDIT SCOPE AND OBJECTIVES

The Sheriff-Coroner (S-C) has awarded to DMJM nine A-E contracts since November 2006, and at the time of our fieldwork a tenth contract was still in negotiation. In our testing of the S-C A-E contract management process, we tested all 10 S-C DMJM contracts. As follows:

Item No.	Date Awarded	Project Description	Dollar Amount
1.	11/14/06	2nd Solicitation for Non-Contact Visiting (Theo Lacy)	76,250
2.	05/15/07	2nd Solicitation for East Kitchen Rehabilitation (Musick)	174,818
3.	06/22/07	Roof leak Mod F – Add scupper drains (Central Men's Jail)	24,730
4.	10/17/07	Booking Loop Remodel (Central Jail Complex)	110,100
5.	06/19/07	Consolidated maintenance project (Theo Lacy)	98,768
6.	06/08/07	Replace A-E walkway covers (Theo Lacy)	35,000
7.	01/15/08	Master Plan (Musick)	2,433,707
8.	09/27/07	South Operations Space Study (Aliso Viejo)	78,750
9.	11/20/07	Space Study (Theo Lacy)	128,770
10.	**In Negotiation**	2nd Solicitation for flooring project (Theo Lacy)	**In Negotiation**

We benchmarked the S-C A-E contract management processes with other County Departments, external counties and cities, and the Office of Federal Procurement to identify best practices. The Orange County departments we benchmarked with were John Wayne Airport and OC Public Works. The external counties and cities included: Kansas City, Missouri; Los Angeles County Public Works; Los Angeles County Metro; and the California Multi-Agency Capital Improvement Projects (CIP) Benchmarking Study. The CIP Benchmarking Study included the following cities: Long Beach; Los Angeles; Oakland; Sacramento; San Diego; San Jose; and the City and County of San Francisco. We benchmarked with the Office of Federal Procurement's – A Guide To Best Practices For Contract Management.

AUDIT RESULTS

The agreed upon procedures, associated findings, and recommendations are as follows:

1. **Review of change orders for recent Sheriff-Coroner contracts with DMJM H&N.**

   Test Work Performed: We tested all 10 S-C contracts with DMJM to determine if any contract change orders were issued and whether the change orders were approved in accordance with the Contract Policy Manual (CPM) Change Order Approval Limits (Section 3.5-5).

   Findings: We found that S-C issued two DMJM contract change orders. Both change orders were for the correction of errors and were processed in accordance with the CPM.

2. **Analysis of cost overruns and/or excessive change orders for DMJM H&N (if applicable).**

   Test Work Performed:

   A. We tested all 10 S-C contracts with DMJM to determine if there were any cost overruns.

      Finding: We did not find any cost overruns on the 10 S-C contracts tested with DMJM.

   B. We tested all 10 S-C contracts with DMJM to determine if an excessive number of contract change orders were issued.

      Finding: We did not identify an excessive number of change orders. We found that S-C issued two DMJM contract change orders, both change orders were for the correction of errors.

3. **Review the Sheriff-Coroner contract management process for A-E contracts such as the DMJM H&N contract.**

   Test Work Performed: We reviewed the adequacy of internal controls and best practices over the S-C contract management process, which included proper segregation of duties and independence, review and approval process of A-E contracts, oversight and tracking of A-E projects, and review and approval of project payments. We based our test work of internal controls on testing all 10 (100%) of S-C DMJM contracts.

   Findings: We found internal controls are adequate over the segregation of duties and independence, review and approval process of A-E contracts, and review and approval of project payments. However, the following improvements should be made over the S-C contract management process.

   1. Project managers do not keep a formal Record of Negotiation to document the negotiation process. We found during our benchmarking that it was a best practice for the project manager to provide some level of explanation as to how the negotiation was conducted that resulted in allocating a specific percentage of the project costs to A-E work. **(Control Finding)**

      Project managers negotiate privately with the A-E firm representatives to determine the appropriate percentage of the total construction cost that should be paid to the A-E firm. The percentage paid to A-E Firms can vary based on several factors. A formal Record of Negotiation provides transparency of the negotiation process and explains the reasons for arriving at the specific percentage of payment agreed upon during the A-E contract negotiations.

Recommendation No. 1
We recommend that the S-C project managers prepare a formal Record of Negotiation to document the A-E firm contract negotiation process.

Sheriff-Coroner Management Response:
Concur. A record of negotiation will be maintained and filed with each A/E contract.

2. Project managers do not maintain a Contract File Event Log in order to keep track of key project milestones, deliverables, change order history, and departures from normal procedures to provide a clear audit trail of worked completed by the A-E and an historical record of changes to the original contract. We found that maintaining a Contract File Event Log to be a best practice. **(Control Finding)**

   When we inquired about the status of a project, information was not easily accessible in the contract file and the project manager had to call a former employee to find out what had happened to the project.

   Recommendation No. 2
   We recommend that the S-C project managers maintain an event log for A-E contract files to document historical information on the status of their A-E projects, including the status of milestones, change orders, and explanations of deviations from normal procedures.

   Sheriff-Coroner Management Response:
   Concur. An event log will accompany all project files and will record milestones, change orders, and explanations of any deviations from normal procedures.

4. Review the Sheriff-Coroner evaluation panel selection policy and process.

Test Work Performed:

- We reviewed the adequacy of internal controls over the evaluation panel selection policy and process.
- We benchmarked the S-C methods of evaluation panel selection policy and process for A-E contracts to identify best practices.
- We tested compliance with S-C procedures and the County CPM for evaluation panel selection procedures for all 10 S-C A-E contracts with DMJM.

Findings:

Internal Controls: We found that internal controls over the evaluation panel selection policy and process should be improved.

1. We found that S-C project managers were not consistent in their methodology for calculating the evaluation scores used for purposes of ranking the firms. Some project managers used the total of each of the individual evaluation committee member scores and other project managers used an average of the individual evaluations committee member scores. The ranking of the firms was the same with both methods. **(Efficiency/Effectiveness)**

   A consistent methodology for calculating the evaluation scores used for purposes of ranking the firms would provide the Board of Supervisors with a standard appearance for their review and approval.

   Recommendation No. 3
   We recommend that the S-C establish a consistent written methodology for calculating the total evaluation committee scores and provide instruction on calculating evaluation committee scores to the members of each evaluation committee to ensure that they are all using the same methodology.

   Sheriff-Coroner Management Response:
   Concur. Methodology and instructions are documented and is now part of all Statement of Qualifications (SOQ) and Request for Proposals (RFP) evaluation committee scenarios.

2. We found that some individual evaluation committee members used a different methodology to calculate scores for A-E firms, which resulted in rounding differences that sometimes affected the total score. **(Efficiency/Effectiveness)**

   Recommendation No. 4
   We recommend that S-C determine the appropriate methodology that should be used by evaluation committee members when scoring A-E firms and instruct all evaluation committee members to use that methodology to provide consistency to the A-E rating process.

   Sheriff-Coroner Management Response:
   Concur. Methodology and instructions are documented and is now part of all SOQ and RFP evaluation committee scenarios. Additionally, instruction will be provided to evaluation committee members at the onset of the process.

3. We found several errors in the calculation A-E firm evaluation scores. **(Control Finding)**

A. In our testing of the Rating Score Sheets (Score Sheets) prepared by the evaluation committee members for the sample of 10 DMJM A-E contracts, we found calculation errors on 4 Score Sheets.

B. In our testing of the Score Sheets we found that one Score Sheet appeared to have been changed by someone other than the evaluator.

C. In our testing of the "A-E Selection Statement of Qualifications (SOQ) Summary of Total Score" prepared by the project manager, we found 10 instances where the evaluation committee member's scores from their Score Sheets were inaccurately entered into the SOQ.

The net effect of the above inaccuracies did not change the selection ranking of the A-E firms; however, we observed only a sample of the S-C's contracts.

Recommendation No. 5
We recommend that the S-C implement a quality review process to ensure the accuracy A-E firm evaluation scores by a person independent of preparing the information and that this review be visibly documented in order to provide an audit trail and to establish accountability.

Sheriff-Coroner Management Response:
Concur. Scoring documents were modified to include a quality review process to ensure accuracy of evaluation scoring and documentation. Additionally, project manager review and the review of one other individual is included in this quality review process.

Benchmarking: We found in our benchmarking and testing of the S-C methods for evaluation panel selection policy and process for A-E contracts included the following best practices:

- The project manager sits on the evaluation committee and selects the other panel members.
- The S-C varied the members on the evaluation committee to provide more independence.
- The evaluation committee included at least three members, and on a large ($2.4 million) A-E contract for the Musick Master Plan, there were six committee members, with two coming from other County departments.
- The S-C has written rules for the evaluation committee members to follow.

We found in our benchmarking of the S-C methods for evaluation, panel selection policy and process for A-E contracts, the following enhancements to incorporate best practices:

1. The S-C evaluation committee members are not required to sign a "Conflict of Interest Statement" for each specific contract on which they will be selecting the A-E. **(Control Finding)**

   All project managers are required to sign annually Form 700 "Statement of Economic Interest Forms." However, the annual filing of a Form 700 does not provide assurance that the project managers have no conflict of interest with the particular vendors or contract being evaluated by the evaluation committee. In addition, if other employees are included on the evaluation committee, S-C needs a procedure to certify they also have no conflict of interest with the particular contract or vendors to be evaluated by the committee.

   Recommendation No. 6
   We recommend that the S-C require each evaluation committee member to sign a document certifying that they have no conflict of interest for each evaluation committee on which they sit.

   Sheriff-Coroner Management Response:
   Concur. Conflict of interest certification is now part of all SOQ and RFP evaluation committee scenarios.

2. The S-C does not have a procedure requiring evaluation committee members to sign a written agreement to abide by the Evaluation Committee Rules. **(Control Finding)**

   A procedure requiring evaluation committee members to read and discuss the rules of the evaluation committee followed by a written commitment to abide by the rules helps to reinforce the significance of procurement policies and helps to promote a fair evaluation process.

   Recommendation No. 7
   We recommend that the S-C require that each evaluation committee member certify in writing that they understand and agree to abide by the evaluation committee rules.

   Sheriff-Coroner Management Response:
   Concur. Understanding and agreement to abide by the evaluation committee rules is now part of all SOQ and RFP evaluation committee scenarios.

3. The S-C does not include a representative from the user department with knowledge and experience in the service area for the A-E service being contracted as a member of the evaluation committee. **(Efficiency/Effectiveness)**

   Recommendation No. 8
   We recommend that the S-C include as a member on the evaluation committee a representative from the user division with knowledge and experience in the service area.

   Sheriff-Coroner Management Response:
   Concur. R&D staff represents the Sheriff-Coroner department in the A-E selection process. Experts with knowledge of the service area will be invited to participate in the process.

Compliance: We found that the S-C to be in compliance with evaluation panel selection S-C procedures and the County CPM for all 10 S-C A-E contracts with DMJM.

5. Review the County Purchasing Manual policy for reporting of contract costs to the Board of Supervisors and how that policy compares with a sample of other governmental entities.

Test Work Performed: We benchmarked the S-C methods reporting contract costs to the Board of Supervisors during the negotiation and approval process for A-E contracts to identify best practices.

Findings:

The approval process for A-E contracts by the Board of Supervisors is a two step process.

1. The S-C provides to the BOS an Agenda Staff Report (ASR) with a ranking of the top three A-E firms, and their selection of the primary and alternate firms. The ASR asks approval from the BOS to negotiate a contract with the primary firm and submit it to the BOS for approval. Also the ASR asks for approval from the BOS to negotiate with the alternate firm if a contract cannot be negotiated with the primary firm. Attached to the ASR are the Evaluation Summary and the individual Score Sheets, without the name of the evaluation committee member.

   The S-C evaluation committee ranks the A-E firms based on technical expertise; key personnel; availability of adequate staff; and other criteria (e.g., approach/understanding of project; control of cost and schedules) as determined necessary.

California Government Code Section 4526 states that the basis for selection of A-E should be based on demonstrated competence and qualifications for the types of services to be performed and at a fair and reasonable price to the public agencies. The CPM Section 3.5 also references this Government Code.

2. The S-C, after they have negotiated with the A-E firm, provides the BOS an ASR that indicates the contract cost (not to exceed amount) and the agreement (contract) for the BOS approval. The contract includes the costs for the different A-E basic services, and costs for special services and any reimbursable items. The contract also includes a listing of the hourly rates for the A-E personnel.

We benchmarked the S-C approval processes with LA County and San Bernardino County and found that all three Counties are subject to the same California Codes; however, each County processes contract approvals differently.

LA County's BOS established an Architectural Evaluation Board (AEB) and delegated their approval authority to them. San Bernardino County's A-E approval process is a one-step process, where approval of the recommended A-E firm and contract amount is done simultaneously, rather than a two-step process specified in the Orange County CPM.

We did not identify a clear best practice in the way the three Counties process contract approvals; however, we believe that the Record of Negotiation discussed in Finding 3.1. could be helpful to the BOS in understanding the establishment of the negotiated price. **(Efficiency/Effectiveness)**

Recommendation No. 9
We recommend that the S-C provide to the Board of Supervisors as part of the Agenda Staff Report, a copy of the Record of Negotiation.

Sheriff-Coroner Management Response:
Concur. A copy of the record of negotiation (Recommendation 1) will be provided along with Agenda Staff Reports to the Clerk of the Board.

6. Review DMJM contract costs and methods of calculation to determine if they are standard for the industry.

Test Work Performed: We benchmarked the S-C methods of calculating (budgeting) A-E contract costs to identify best practices.

Findings: We found that the S-C methods of calculating (budgeting) A-E contract costs do include best practices. We identified the following S-C best practices and have no recommendations in this category.

- The project scope is clearly defined in the contract.
- Project managers utilize tools on the S-C server such as the Capital Projects Budgets Database and consult with manufactures and industry experts to prepare an estimated budget for the A-E project.
- The project manager prepares a preliminary budget for the total budget, which includes construction and A-E Costs. The project manager estimates A-E costs based on a percentage of the construction costs, which is the method used by the State and the Federal Government.
- The project manager uses the S-C generated estimated budget as a starting point and frame of reference to help ensure the County pays a reasonable market rate to the A-E.

ACKNOWLEDGMENT

We appreciate the courtesy and cooperation extended to us during the audit by the personnel of Sheriff-Coroner Research and Development Division. If we can be of further assistance, please contact me directly or Eli Littner, Deputy Director at 834-5899 or Alan Marcum, Senior Audit Manager at 834-4119.

Attachments

Distribution Pursuant to Audit Oversight Committee Procedure No. 1:

Members, Audit Oversight Committee
Rick Dostal, Executive Director, Sheriff-Coroner Special Services
Robert Beaver, Director, Sheriff-Coroner Research and Development
Foreperson, Grand Jury
Darlene J. Bloom, Clerk of the Board of Supervisors

ATTACHMENT A: Report Item Classifications

For purposes of reporting our audit observations and recommendations, we will classify audit report items into three distinct categories:

- **Material Weaknesses:**
  Audit findings or a combination of Significant Issues that can result in financial liability and exposure to a department/agency and to the County as a whole. Management is expected to address "Material Weaknesses" brought to their attention immediately.

- **Significant Issues:**
  Audit findings or a combination of Control Findings that represent a significant deficiency in the design or operation of processes or internal controls. Significant Issues do not present a material exposure throughout the County. They generally will require prompt corrective actions.

- **Control Findings, Compliance and/or Efficiency/Effectiveness Issues:**
  Audit findings that require management's corrective action to implement or enhance processes and internal controls. Control Findings, Compliance and Efficiency/Effectiveness issues are expected to be addressed within our follow-up process of six months, but no later than twelve months.

ATTACHMENT B: Sheriff-Coroner Management Responses

ORANGE COUNTY SHERIFF'S DEPARTMENT
Santa Ana, California

TO: Dr. Peter Hughes, Director, Internal Audit Department

FROM: Sheriff Sandra Hutchens

DATE: August 25, 2008

RE: **Responses to Recommendations for Sheriff-Coroner DMJM H&N Contracts and A&E Contract Management Process Audit No. 2768**

The Sheriff-Coroner Department responses to Audit No. 2768 recommendations are cited below. Additionally, new and/or modified forms are included for reference pertinent to these recommendations and responses.

Recommendation No. 1
We recommend that the S-C project managers prepare a formal Record of Negotiation to document the A-E firm contract negotiation process.

Sheriff-Coroner Management Response:
Concur. A record of negotiation will be maintained and filed with each A/E contract. Form A-01.2 (A-E Services Record of Negotiations) is attached.

Recommendation No. 2
We recommend that the S-C project managers maintain an event log for A-E contract files to document historical information on the status of their A-E projects, including the status of milestones, change orders, and explanations of deviations from normal procedures.

Sheriff-Coroner Management Response:
Concur. An event log will accompany all project files and will record milestones, change orders, and explanations of any deviations from normal procedures. Activity Log is attached.

Recommendation No. 3
We recommend that the S-C establish a consistent written methodology for calculating the total evaluation committee scores and provide instruction on calculating evaluation committee scores to the members of each evaluation committee to ensure that they are all using the same methodology.

Sheriff-Coroner Management Response:
Concur. Methodology and instructions are documented and is now part of all SOQ and RFP evaluation committee scenarios. Form A-01.1 (SOQ/RFP Evaluation Committee Guidelines and Conflict of Interest Form) is attached.

ATTACHMENT B: Sheriff-Coroner Management Responses (continued)

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Recommendation No. 4
We recommend that S-C determine the appropriate methodology that should be used by evaluation committee members when scoring A-E firms and instruct all evaluation committee members to use that methodology to provide consistency to the A-E rating process.

Sheriff-Coroner Management Response:
Concur. Methodology and instructions are documented and is now part of all SOQ and RFP evaluation committee scenarios. Form A-01.1 (SOQ/RFP Evaluation Committee Guidelines and Conflict of Interest Form) is attached. Additionally, instruction will be provided to evaluation committee members at the onset of the process.

Recommendation No. 5
We recommend that the S-C implement a quality review process to ensure the accuracy A-E firm evaluation scores by a person independent of preparing the information and that this review be visibly documented in order to provide an audit trail and to establish accountability.

Sheriff-Coroner Management Response:
Concur. Scoring documents were modified to include a quality review process to ensure accuracy of evaluation scoring and documentation. Form A-02.5 (SOQ Summary of Total Scores Form) and Form A-03.4 (RFP Summary of Total Scores Form) are attached. Additionally, project manager review and the review of one other individual is included in this quality review process.

Recommendation No. 6
We recommend that the S-C require each evaluation committee member to sign a document certifying that they have no conflict of interest for each evaluation committee on which they sit.

Sheriff-Coroner Management Response:
Concur. Conflict of interest certification is now part of all SOQ and RFP evaluation committee scenarios. Form A-01.1 (SOQ/RFP Evaluation Committee Guidelines and Conflict of Interest Form) is attached.

Recommendation No. 7
We recommend that the S-C require that each evaluation committee member certify in writing that they understand and agree to abide by the evaluation committee rules.

Sheriff-Coroner Management Response:
Concur. Understanding and agreement to abide by the evaluation committee rules is now part of all SOQ and RFP evaluation committee scenarios. Form A-01.1 (SOQ/RFP Evaluation Committee Guidelines and Conflict of Interest Form) is attached.

ATTACHMENT B: Sheriff-Coroner Management Responses (continued)

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Response to Audit No. 2768

Recommendation No. 8
We recommend that the S-C include as a member on the evaluation committee a representative from the user department with knowledge and experience in the service area.

Sheriff-Coroner Management Response:
Concur. R&D staff represents the Sheriff-Coroner department in the A/E selection process. Experts with knowledge of the service area will be invited to participate in the process.

Recommendation No. 9
We recommend that the S-C provide to the Board of Supervisors as part of the Agenda Staff Report, a copy of the Record of Negotiation.

Sheriff-Coroner Management Response:
Concur. A copy of the record of negotiation (Recommendation 1) will be provided along with Agenda Staff Reports to the Clerk of the Board.

Please refer and questions or clarifications to Robert Beaver, Director Research & Development Division for the Orange County Sheriff-Coroner Department at 714-935-8431.

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ATTACHMENT B: Sheriff-Coroner Management Responses (continued)

Orange County Sheriff's Department

A-E SERVICES RECORD OF NEGOTIATIONS

Project Name:
Project Manager:
A-E Firm:

Initial Estimate for Construction: _____
Initial Estimated % of Construction Cost for A/E services: _____
Initial Estimate of A/E Fees: _____

A/E's Initial Fee Proposal: _____

Comments on discrepancies between initial estimate of A/E fees and A/E's Initial Proposal:

Revised Estimate for Construction (if applicable): _____
Revised % of Construction Cost for A/E services (if applicable): _____
Revised Estimate of A/E services: _____

Comments on revisions:

Revised A/E Fee Proposal: _____

Comments on discrepancies or concurrence with proposal (as applicable):

(Attach Additional Revisions as needed)

A/E services record of negotiation
Form A-01.2

Page 1 of 2

ATTACHMENT B: Sheriff-Coroner Management Responses (continued)

Orange County Sheriff's Department

A-E SERVICES RECORD OF NEGOTIATIONS

Revised Estimate for Construction (if applicable): _____
Revised % of Construction Cost for A/E services (if applicable): _____
Revised Estimate of A/E services: _____

Comments on revisions:

Revised A/E Fee Proposal: _____

Comments on discrepancies or concurrence with proposal (as applicable):

Revised Estimate for Construction (if applicable): _____
Revised % of Construction Cost for A/E services (if applicable): _____
Revised Estimate of A/E services: _____

Comments on revisions:

Revised A/E Fee Proposal: _____

Comments on discrepancies or concurrence with proposal (as applicable):

A/E services record of negotiation
Form A-01.2

Page 2 of 2

ATTACHMENT B: Sheriff-Coroner Management Responses (continued)

Activity Log

Date	#	Activity

Page ___ of ___ Project Name and #:_____

ATTACHMENT B: Sheriff-Coroner Management Responses (continued)

Orange County Sheriff's Department

SOQ/RFP EVALUATION COMMITTEE GUIDELINES
AND
CONFLICT OF INTEREST FORM

Project Name:

Project Number:

As a member of the Evaluation Committee appointed to assist in the evaluation of SOQs (Statement of Qualifications) / RFPs (Request for Proposals) for Architect-Engineer (A-E) services obtained by the County of Orange; I hereby certify that I do not represent any conflict of interest as defined in the County of Orange Contract Policy Manual (CPM), Section 2.1, Ethics in Public Contracting.

Further, in order to help assure that the evaluation process is conducted in an impartial and appropriate manner, I also agree to adhere to the following Evaluation Committee guidelines:

1. Information regarding the evaluation process itself should not be disclosed to anyone who is not participating in the evaluation proceedings or otherwise legally entitled to such information.

2. Confidential or trade information and/or any other information provided by Proposers should not be disclosed to other Proposers or with any individual outside the appointed Evaluation Committee.

3. The basis for selection of Architects and Engineers shall be as stated in the County of Orange CPM, Section 3.5, Architect-Engineer Service Contracts. Per the CPM, selection shall be on the basis of demonstrated competence and on the professional qualifications necessary for the satisfactory performance of the services required.

4. Statement of Qualifications /Requests for Proposals shall be ranked as described in Section 3.5 of the CPM.

   A. SOQs shall be ranked using the following evaluation criteria:
      - Technical expertise
      - Key personnel
      - Availability of adequate staff
      - Other criteria determine necessary for and appropriate to the project

      (At the discretion of the agency/department oral interviews may or may not be conducted)

SOQ/RFP Guidelines and Conflict of Interest Form — Page 1 of 2
Form A-01.1

ATTACHMENT B: Sheriff-Coroner Management Responses (continued)

Orange County Sheriff's Department

SOQ/RFP EVALUATION COMMITTEE GUIDELINES
AND
CONFLICT OF INTEREST FORM

B. Request for Proposals evaluation process shall include the evaluation of written proposals and oral presentations. Evaluation criteria shall be as follows:

Written Proposals
- Technical expertise
- Key personnel
- Approach/understanding of project
- Control of costs and schedules
- References
- Adequate staff devoted to project/Availability of firm to commence project
- Other criteria determine necessary for and appropriate to the project

Oral Presentation
- Presentation/communication skills
- Technical content
- Project Manager/Key team members
- Project understanding
- Project Schedule
- Other criteria determine necessary for and appropriate to the project

5. Evaluation shall be based on a scoring system from 0-5 with 0 being unacceptable and 5 being excellent. Total score for each of the criteria shall be determined by multiplying the evaluation score by the weight for the criteria. Weighting of evaluation criteria shall be left to the discretion of the agency/department.

6. After evaluating the proposals, the agency/department shall submit a ranked slate of the most qualified A-E firms. Ranking shall be determined by averaging all evaluators' total scores for each A-E firm.

Name of Evaluator: _____ Date: _____
(Signature)

_____
(Print Name)

Evaluator Number: _____

Evaluator's Agency/Department: _____

SOQ/RFP Guidelines and Conflict of Interest Form Page 2 of 2
Form A-01.1

ATTACHMENT B: Sheriff-Coroner Management Responses (continued)

COUNTY OF ORANGE
ORANGE COUNTY SHERIFF-CORONER
RESEARCH AND DEVELOPMENT
FACILITIES PLANNING

A-E SELECTION-STATEMENT OF QUALIFICATIONS (SOQ)
SUMMARY OF TOTAL SCORES

Project:_____

A-E FIRM
SUMMARY OF TOTAL SCORES FOR
SOQ EVALUATION

Evaluator	Firm A	Firm B	Firm C	Firm D	Firm E
1					
2					
3					
4					
TOTAL SCORE					
AVERAGE SCORE					
RANKING					

Project Manager:_____ Reviewed By:_____

Date:_____ Date:_____

Project
A-02.5, SOQ Summary of Total Scores
Page 1 of 1

ATTACHMENT B: Sheriff-Coroner Management Responses (continued)

Orange County Sheriff's Department
A-E SELECTION-REQUEST FOR PROPOSAL (RFP)
SUMMARY OF SCORES

Project Name: _____

SUMMARY OF TOTAL SCORES For
RFP WRITTEN PROPOSAL EVALUATION

Evaluator	Firm A	Firm B	Firm C	Firm D	Firm E
1.					
2.					
3.					
4.					
5.					
6.					
Proposal Subtotal					
Average of Subtotals					
Weighted Subtotal (40%)					

SUMMARY OF TOTAL SCORES For
INTERVIEW EVALUATION RESULTS

Evaluator	Firm A	Firm B	Firm C	Firm D	Firm E
1.					
2.					
3.					
4.					
5.					
6.					
Interview Subtotal					
Average of Subtotals					
Weighted Subtotal (60%)					

TOTAL (Interview + Written)					
RANKING					

Project Manager:_____ **Reviewed by:**_____

Date:_____ **Date:**_____

A-03.4, RFP Summary of Total Score: