

SANTA CLARA VALLEY WATER DISTRICT

Audit Scoping Document

2025 Audit Plan Item

Performance Audit of Valley Water's Capital Project Delivery Activities

Audit Objectives

Evaluate the cost-effectiveness of Valley Water's approach to capital project delivery, and identify opportunities for improvement.

Audit Scope

Capital project delivery activities between January 1, 2020, and December 31, 2024, including the District's overall approach to project and construction management, the contract vehicles employed on capital projects, methods for monitoring contractors and evaluating contract compliance, and execution. The factors may include project timelines, budget management, staffing resources, inter-departmental coordination, contractor performance, and compliance with environmental and regulatory requirements for capital projects within the watersheds.

Audit Approach

- Conduct interviews with key management and staff regarding Valley Water's capital project delivery system.
- Obtain and review policies, procedures and other guidelines that address key aspects of Valley Water's capital project delivery system, including project management, construction management and oversight, project delivery methods and contracting methods, construction contract management, pay application testing, and project closeout.
- Review and assess Valley Water's approach to staffing capital projects, including how it allocates internal and contract resources to project planning, management, and oversight activities.
- Identify roles and responsibilities of key personnel and departments that play a role in Valley Water's capital project delivery system.
- Conduct benchmarking research to identify potential opportunities for improvement.
- Select a sample of capital projects for review and evaluation, including examining the project for compliance with executed contracts, Valley Water policies and procedures, and best practices.

Proposed Schedule

This audit is proposed to commence in February 2025 with an estimated completion date of November 2025.

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