

Forensic Audit Implementation – Contracts and amendments – Lisa LeBlanc

The forensic audit has a specific recommendation for regular review of contract templates by legal counsel to ensure that contracts include necessary sections and language to protect the District (TC8-3). In addition, the forensic audit recommends legal review and potential revisions to specific terms in the areas of invoicing, subcontractors, duration of services, and right to audit clause (FI 3-2, FI 3-3, FI 3-4, FI 4-1, FI 4-2, FI 7-5). In an effort to improve our practice, legal counsel reviewed the recommendations and provided contractual revisions to strengthen the existing contract templates.

The Engineering Services precis for January 4th, 2017 includes an architectural contract and two amendments for ongoing hourly consulting services that incorporate the legal revisions as appropriately applied to the type of contract and the nature of the services. A brief summary of the recommendations being implemented is provided below:

Recommendation	Summary
FI 3-2	District vendors payment to subcontractors timely and payments are subject to audit
FI 3-3	Hourly invoicing requires time cards including: date, hours, location and description.
FI 3-4	Revise the right to audit clause
FI 4-1	Comprehensive Analysis including review by legal counsel prior to entering into contract negotiations
FI 4-2	Clause specifying the duration and compensation.
FI 7-5	Revisions to architect contract template: (a) terminology (b) revise ability to communicate instructions verbally, should be in writing (c) Ensure that person(s) holding titles in certain contract provisions are identified.