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August 3, 2015

The Honorable Donald D. Coleman  
Presiding Judge, Superior Court of California  
County of Ventura  
800 S. Victoria Avenue  
Ventura, CA 93009

Mr. Robert Stewart  
Foreperson, Ventura County Grand Jury  
800 South Victoria Avenue  
Ventura, CA 93009

RECEIVED  
AUG 05 2015  
VENTURA COUNTY  
GRAND JURY

**Re: County Auditor-Controller Response to 2014-15 Ventura County Civil Grand Jury's June 5, 2015  
Final Report: County Project Management – A Case Study**

Dear Judge Coleman and Mr. Stewart,

Please find enclosed the County Auditor-Controller's Response to the 2014-15 Ventura County Civil Grand Jury's June 5, 2015 Final Report: County Project Management – A Case Study.

If you have any questions or require additional information, please do not hesitate to contact me at (805) 654-3151. I appreciate the opportunity to respond to this report.

Respectfully submitted,

Jeffery S. Burgh, MPPA  
Auditor-Controller  
County of Ventura

Enclosures

## Response to Grand Jury Report Form

**Report Title:** Final Report: County Project Management – A Case Study

**Report Date:** June 4, 2015

**Response by:** August 4, 2015    **Title:** County Auditor-Controller

### FINDINGS

- I agree with the findings numbered: FI-01, FI-10.
- I disagree partially with the findings numbered: FI-03, FI-04, FI-05, FI-06, FI-08, and FI-11.

FI-03: Current County policy requires that all requests for enterprise projects complete the risk assessment included within the formal Automation Project Assessment Questionnaire (APAQ) document. This office would agree that, at the time of approval of the APAQ, a more in-depth analysis of the risks associated with the Electronic Health Records (EHR) project was warranted. However, during the implementation of the EHR project, risk was assessed at various levels throughout County operations, including periodic Information Technology Committee (ITC) meetings, and ultimately impacts and risks to systems were identified and addressed.

FI-04: Once a project has received approval and implementation has begun, the ITC has the responsibility of reviewing progress status reports provided by identified project managers and making recommendations based upon this review. In the case of the EHR project, managers provided periodic updates on project costs, schedule, and risks identified. Based on status reports provided and risks identified, corrective actions were recommended which ultimately led to EHR project completion.

FI-05: EHR project codes were established and used in the Ventura County Human Resources/Payroll System (VCHRP) and in the Ventura County Financial Management System (VCFMS) to track project costs. This office is currently engaged in the audit of all costs associated with this project. Once completed, total implementation costs associated with this project will be identified.

FI-06: Original staffing requirements may have been underestimated; however, when shortages were identified, corrective action was taken. As for the accuracy of County labor hours and costs, EHR project codes were established and used in VCHRP and VCFMS to track project costs. This office is currently engaged in an audit of all costs associated with this project and our report, once released, will address labor costs.

FI-08: This office has not been provided with the documentation referenced by the Grand Jury. However, EHR project codes were established and used in VCHRP and VCFMS. This office is currently engaged in an audit of all costs associated with this project and our report, once released, will identify total EHR project implementation costs.

FI-11: The more than \$71 million in EHR project costs approved by the Board of Supervisors includes approximately \$19 million of non-implementation costs associated with a 10-year remote hosting agreement. Thus, over \$52 million has been identified as authorized project implementation costs. This office is currently engaged in an audit of all costs associated with this project and our report, once released, will identify total costs associated with the implementation of this project.

## **RECOMMENDATIONS**

Recommendations numbered R-03 and R-04


Note: The recommendations noted above were addressed to the Board of Supervisors, thus this office either supports the recommendation in whole or partially.

R-03: This office supports the recommendation.

R-04: This office partially supports the recommendation. The practice of tracking labor costs associated with medium- and large-size projects is regularly followed and often required where grant or special funding is utilized. Additionally, tracking labor costs for the purpose of capitalizing such costs is also a current practice followed by the County. The ability to engage an independent audit, where the necessity to do so has been identified, is a good measure to ensure all project costs, labor and otherwise, have been properly identified and classified for capitalization and funding purposes.

Date: August 4, 2015

Signed:

  
Jeffery S. Burgh, MPPA  
Auditor-Controller  
County of Ventura

Number of pages attached: 2