

## CALIFORNIA COASTAL COMMISSION

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To: Interested Parties

April 28, 1997

From: California Coastal Commission  
Peter Douglas, Executive Director

A handwritten signature in black ink that reads "Peter Douglas".

Re: General Cost Estimate for Conduct of Performance Audit based on Preliminary Scope of Work**INTRODUCTION**

The California Coastal Commission has agreed to an independent, third-party audit of its performance in carrying out provisions of the California Coastal Act (Section 30000 et seq Public Resources Code). Funding for the audit will be provided either by the Department of Finance or the Resources Agency. The final work program that will guide the audit is subject to approval by the Coastal Commission.

In order to finalize the scope of work for the audit, the Commission, the Resources Agency, the Department of Finance and other interested parties would like to obtain a general, preliminary estimate of the projected costs for an audit if the audit includes all of the elements set forth below in the "preliminary scope of work". All persons or entities responding to this request are asked to provide general cost estimates for each component of the proposed audit based on the "preliminary scope of work". This information will be helpful to the Commission when it determines the final scope of work for the audit at a future meeting.

After a "final scope of work" for the audit has been approved, a formal screening of potential contractors will be conducted. Because the Commission wishes to have the audit completed by the fall of 1997, time is of the essence. Accordingly, the intent is to utilize a potential contractor or another entity without having to incur the cost and time needed to go out with a formal request for proposals. This means, potential contractors must be pre-approved and be on the Department of General Services' list or be a public agency with whom the Commission, Department of Finance or Resources Agency can enter into an interagency agreement.

The following draft of the "preliminary scope of work" includes input provided at the Commission's April 10, 1997, meeting in Huntington Beach.

**RECOMMENDATION:** The staff recommends that the Commission approve this preliminary scope of work on a conceptual basis so that the staff, in consultation with appropriate representatives of the Department of Finance and the Resources Agency, can request cost estimates from appropriate potential contractors

# PRELIMINARY SCOPE OF WORK FOR A PERFORMANCE AUDIT OF THE CALIFORNIA COASTAL COMMISSION

## Introduction

The assumption for the performance audit is that the standards of reference are the requirements of the California Coastal Act. The primary purpose of the performance audit is to determine how well the Commission is carrying out and meeting the requirements of the Coastal Act. The purpose of this evaluation is not to look for ways to amend or weaken the Coastal Act. If a solution to a particular problem or weakness in performance identified in this evaluation is new legislation that would strengthen Coastal Act implementation, recommendations to that effect are appropriate for inclusion in this scope of work.

Reference to the "Commission" refers to both the commissioners and Commission staff. If appropriate (i.e., where the discussion, conclusions, etc., applies only to commissioners or only to Commission staff), the evaluation should distinguish between commissioners and Commission staff.

For each program element of the audit, a brief statement of the purpose for the evaluation is set forth. Obviously, fundamental purposes of the audit for all program elements are to evaluate how well the Commission is doing its job relative to the identified program element, to identify weaknesses or areas where improvements are needed, and to identify what can and should be done to improve overall program performance relative to the specified program elements that include ways to enhance effectiveness and efficiencies.

It has been suggested that any consultant who performs the programmatic performance audit envisioned in this report will use the Government Auditing Standards published by the U.S. General Accounting Office (1994 Revision) as the foundation for its audit. Staff understands that and sees no problem with it. At the same time, it should be clear that what is not being asked for is a general audit of the effectiveness and efficiency of the way the agency is organized and staff assignments are made, etc. Rather, the focus of the audit will be on how well the agency is carrying out or meeting its statutory responsibilities in the specifically identified program areas set forth below. Obviously, in looking at the agency's performance in each program area, questions and issues relative to organizational effectiveness and efficiencies will be addressed. Accordingly, the audit will focus on and evaluate how well the Commission is, for example, carrying out the public access policies of the Coastal Act and will not, in a general, unfocused way (i.e., independent of a specified program element) be asking whether the agency is using its resources most economically and efficiently.

## Scope of Work

Evaluate the Commission's performance in carrying out the requirements of the Coastal Act in the following specific areas:

1. Has the Commission maximized public participation in the coastal program consistent with section 30006 PRC?  
If not, why not.

Purpose: To evaluate whether the Commission has done what it can to ensure broad public participation and involvement in its work. If that is not the case, the evaluation should identify what steps can be taken to improve public participation.

2. What is the status of LCP completion and the periodic review of those LCPs that have been certified? (See section 30500 PRC)

If the LCPs are not completed, why not?

If the periodic reviews required by section 30519.5 PRC have not been completed as required by law, why not?

Purpose: To identify key factors explaining why lcps are not finished and why periodic reviews have not been undertaken and completed.

3. Evaluate the performance of the Commission in the enforcement of Coastal Act regulatory requirements?

If weaknesses in the enforcement program are identified, what are they?

Purpose: To evaluate the extent to which Coastal Act requirements are being met and enforced and to identify the reasons for weaknesses in the enforcement program as well as ways to remedy them.

4. Evaluate the Commission's performance in carrying out Coastal Act public access requirements. (See sections 30001.5(c), 30210-30214, and 30530-30534 PRC)

If weaknesses are identified, what are they and what can be done to address them?

Purpose: To evaluate whether the Commission has maximized public access opportunities and to identify the problems that may have prevented the full accomplishment of this policy.

5. Evaluate the Commission's performance in carrying out the coastal development permit requirements of the Coastal Act.

If weaknesses are identified, what are they and what can be done to address them?

Purpose: To evaluate the coastal permitting process to determine if it is being effectively and efficiently carried out and to identify ways to improve it.

6. Evaluate the Commission's performance in carrying out the public education requirements of the Coastal Act. (See section 30012 PRC)

If weaknesses are identified, what are they and what can be done to address them?

Purpose: To determine how well the Commission has met its mandate to educate the public about coastal and marine resources, systems and conservation.

7. Evaluate how well sound science and technical expertise have been integrated into the planning and regulatory work of the Commission. (See section 30006.5 PRC)

If weaknesses are identified, what are they and what can be done to address them?

Purpose: To determine whether the Commission has effectively involved science and technical expertise in its decision-making processes and to identify ways to improve science-policy interaction to ensure that decisions involving technical questions are science-based.

8. Assuming that the Commission's primary customers are interested members of the public, non-governmental organizations, other federal, state and local agencies, permit applicants and their representatives, principal coastal resource user groups, and the primary users and primary potential beneficiaries of the Commission's public education program, evaluate the Commission's performance in meeting the needs of these customers relative to their interaction with the Commission and their treatment by the Commission.

If weaknesses are identified, what are they and what can be done to address them?

Purpose: To evaluate how well the Commission has served the needs of its most significant "customers" or constituency groups. Looking at the Commission's interaction with these groups, identify strengths and ways in which service can be improved, taking into account workload and fiscal constraints.

9. Evaluate the Commission's performance in carrying out the water quality protection provisions of the Coastal Act (see sections 30012, 30230 and 30231 PRC).

If weaknesses are identified, what are they and what can be done to address them?

Purpose: To determine how well the Commission has carried out its responsibilities to improve and protect coastal water quality and to identify ways in which to enhance its performance.

10. Evaluate the Commission's performance in securing funding for purposes of implementing Coastal Act provisions from sources other than the State's General Fund.

If the Commission has been successful in securing supplemental funding, evaluate the effects of such special grants or funding awards on the agency's core program and if weaknesses or negative effects are identified, suggest ways in which they can be addressed.

Purpose: To determine if the Commission has been creative, aggressive and effective in seeking out and securing supplemental sources of funding to implement Coastal Act provisions.

11. Evaluate the Commission's performance in the following additional subject areas:

- (a) The protection, enhancement and restoration of environmentally sensitive habitat areas;
- (b) The protection of productive agricultural lands, aquaculture, commercial fisheries, and archaeological resources;
- (c) The protection of the scenic beauty of coastal landscapes and seascapes;
- (d) The establishment of effective urban-rural boundaries and directing new housing and other development into areas with adequate infrastructure and services to meet their needs and to avoid urban sprawl;
- (e) The expansion of coastal-dependent industrial uses in an environmentally sound manner;
- (f) The protection against loss of life and property from coastal hazards.

Purpose: To evaluate how well the Commission has achieved these goals and policies and to identify what steps can and should be taken to improve effectiveness and efficiencies.