



Independent Audit Found Sewer District Customers' Dollars Protected

Board-initiated review indicates effective spending with room for improvement

Cleveland – The Northeast Ohio Regional Sewer District Board of Trustees released the results of the Board-initiated policies and procedures independent audit today during a Special Board Session. The independent audit, which was initiated in May by the Board of Trustees to ensure absolute transparency, clearly states that, while there is some room for improvement, the District has spent customers' dollars wisely and effectively.

Led by Calfee, Halter & Griswold, LLP attorney Peter Comodeca, a specialist in construction and complex contract law, and Special Counsel to the Ohio Department of Transportation (ODOT) and the Turnpike Commission, the independent audit examined construction policies and procedures for contracts dated from 1998 to present, which exceeded \$100,000. In total, over 500 contracts were reviewed for project documentation, payment policies, and invoicing procedures, just to name a few. 'Discrepancy in operations, policy observations and administrative contracts are consistent with issues routinely found in large public entities,' stated Mr. Comodeca in his report to the Board of Trustees.

Additionally, as it relates to contract change orders, Mr. Comodeca stated, '...the District has managed these contracts with a reasonable level of change order activity.' In short, the District's contract change orders have been in line with the national standard.

Even though the review shows effective and appropriate spending, the Board has instructed staff to respond to the independent audit and develop an action plan for improving policies and procedures; the action plan will be reviewed by the Board at 10am on Thursday, October 4, 2007 at the District administrative offices. 'This independent audit provides us with a road map to strengthen and tighten our procedures consistent with our goal to protect the public's interest,' stated Darnell Brown, Sewer District Board of Trustees President.

For additional information, please contact Jeannie Chapman, Public Information Specialist, at 216-881-6600 or chapmanj@neorsd.org.