



**CALIFORNIA
HIGH-SPEED RAIL
AUTHORITY**

BRIEFING: JUNE 2, 2010 EXECUTIVE / ADMINISTRATIVE COMMITTEE MEETING
AGENDA ITEM #5

TO: Chairman Pringle and Authority Board Members

FROM: Carrie Pourvahidi, Interim Executive Director

DATE: 5/24/10

RE: Board Policies and Procedures Addition

Background

In its report of its audit of the Authority, the Bureau of State Audits noted the following, concerning the Authority's business and strategic plans:

[The Authority] did not have an opportunity, as a body, to discuss or approve the revised business plan issued in December 2009. In fact, members received a copy of the plan only two days before staff submitted it to the Legislature. However, according to the communications director, some members received a draft of the business plan and discussed it with him. Also, as discussed earlier, the Authority has been only minimally involved in creating the strategic plan. Its chair stated that the Authority is ultimately responsible for the program's success or failure. Unless it exercises oversight of plans and activities, however, it risks being unaware of significant issues that could disrupt or delay the program. (Audit Report, pp. 29-30.)

The Authority indeed has been involved in the development of recent documents, for example twice discussing and editing the Authority's Strategic Plan and reviewing an addendum to the Business Plan.

Proposed Language

In order to clarify the Board's role in the development of such documents as the Authority's business and strategic plans, and to respond affirmatively to the recommendation made by

the Bureau of State Audits, staff recommends that the Board's Policies and Procedures be amended by adding a section C, under Article I, along with a subsection 1, as follows:

C. Responsibilities of the Board

1. The Board is responsible for developing the policy of the Authority, and for the development of key policy documents, such as the Authority's business plans and strategic plans, and for approving those plans.

Staff Recommendation

Staff recommends that the Board approve and adopt the following resolution:

Resolved, that the Board's Policies and Procedures be amended to add, under Article I, the following:

"C. Responsibilities of the Board

- "1. The Board is responsible for developing the policy of the Authority, and for the development of key policy documents, such as the Authority's business plans and strategic plans, and for approving those plans."