

90-day Follow-up to BHICC Internal Audit

Real Estate Division

July 7, 2009

a. Monitoring of Compensation

Management Action-

Bonus compensation plan will be reviewed and approved during budget process

b. Cost Allocation Methodology

Management Action-

Cost allocation will be reviewed and approved during budget process

c. Improper Advance of Public Funds

Management Action-

By end of 2006, procedures in place to tighten controls. Only invoices directly related to facility will be paid

d. Improper Classification of Expenses

Management Action-

Ensure that accounting transactions in
accordance with Port policy

e. Related-Party Sales Activity

Management Action-

Expanded monthly reporting to include “related-party” activity, if any occurred