



**Independent Accountants' Report  
On Applying Agreed-Upon Procedures**

**The School Board of Orange County, Florida**

**Colonial 9th Grade Center – Capital Renewal Project**



**Carr, Riggs & Ingram, LLC**  
 1031 West Morse Boulevard  
 Suite 200  
 Winter Park, FL 32789  
  
 407.644.7455  
 407.628.5277 (fax)  
 CRlcpa.com

**INDEPENDENT ACCOUNTANTS’ REPORT ON APPLYING AGREED-UPON PROCEDURES**

**Colonial 9th Grade Center – Capital Renewal Project**

The School Board of Orange County, Florida  
 Orlando, Florida

We have performed the procedures enumerated below on the final construction costs and the adjusted guaranteed maximum price of the Colonial 9th Grade Center – Capital Renewal Project (the Project), as provided by T&G Corporation (the Construction Manager). The Construction Manager is responsible for the final construction costs that support the adjusted guaranteed maximum price.

The School Board of Orange County, Florida (“OCPS” or the “District”) has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose to assist in determining the final construction costs and the adjusted guaranteed maximum price of the Project, as provided by the Construction Manager. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

PROCEDURES	RESULTS
1. Inspect a copy of the Standard Management Contract (the Agreement), dated February 5, 2016, between OCPS and the Construction Manager, and Amendment No. 2, dated January 28, 2020 (collectively referred to as the “contract documents”), relative to the construction of the Project.	<ul style="list-style-type: none"> <li>○ The contract documents were inspected by Carr, Riggs &amp; Ingram, LLC (CRI) without exception.</li> </ul>
2. Inquire of OCPS and the Construction Manager as to whether there are any disputed provisions between the two parties, relative to the contract documents or the Project’s costs as provided in 4. below, or if there are any other unresolved disputes.	<ul style="list-style-type: none"> <li>○ The Construction Manager and OCPS stated there were no disputed provisions between the two parties, relative to the contract documents or the Project’s cost. There are no unresolved disputes on the Project.</li> </ul>
3. Inquire of the Construction Manager as to whether there are any disputes between the Construction Manager and its subcontractors.	<ul style="list-style-type: none"> <li>○ The Construction Manager stated there are no disputes with any of its subcontractors.</li> </ul>

PROCEDURES	RESULTS
<p>4. Obtain from the Construction Manager, a copy of the final job cost detail, dated June 14, 2021 (the “final job cost detail”).</p>	<p>○ Obtained the final job cost detail without exception.</p>
<p>5. Obtain from the Construction Manager and OCPS, a copy of the final payment application request issued to OCPS, dated February 28, 2021 (“final pay application”).</p>	<p>○ Obtained the final pay application without exception.</p>
<p>6. Obtain from the Construction Manager a reconciliation between the final job cost detail and the final pay application.</p>	<p>○ Obtained the Construction Manager’s reconciliation between the final job cost detail and the final pay application without exception. CRI noted the Construction Manager duplicated daily cleaning and general purpose labor charges through their reconciliation. CRI made an adjustment totaling \$9,766, as reported in Exhibit A.</p>
<p>7. From the final job cost detail, select all subcontractors with total costs in excess of \$50,000 (“selected subcontractors”) and perform the following:</p> <p>a. Obtain the subcontract and related change orders, executed between the selected subcontractors and the Construction Manager. Compare the total amount recorded in the final job cost detail to the original subcontract amount plus the related change orders.</p> <p>b. Obtain the labor and material pricing estimates, vendor invoices, subcontractor markups, or other appropriate documentation (“supporting documentation”) for the subcontractor change orders in 7.a. above. Compare the change order amounts to the supporting documentation.</p> <p>c. Obtain from the Construction Manager, the final lien releases totaling the final subcontract value submitted by the selected subcontractor to the Construction Manager. Compare the final subcontract amount to the final job cost detail to the payment documentation.</p>	<p>○ Selected all 6 subcontractors from the final job cost detail with subcontract value in excess of \$50,000.</p> <p>a. Obtained the subcontract agreements and the related change orders, and totaled the original subcontract amount, plus change orders, for each of the selected subcontractors. Compared these amounts to the amounts recorded in the final job cost detail for all selected subcontractors without exception.</p> <p>b. Obtained supporting documentation for the subcontractor change orders without exception. Compared the change order amounts to the supporting documentation with the following exceptions:</p> <ul style="list-style-type: none"> <li>● CRI noted subcontractor change orders not reimbursable to the Project totaling \$14,054.</li> <li>● CRI noted a subcontractor change order not properly back charged totaling \$1,537.</li> </ul> <p>These adjustments are reported in Exhibit A.</p> <p>c. Obtained payment documentation and compared the payment documentation to the final subcontract amount without exception.</p>

PROCEDURES	RESULTS
<p>(7. Continued)</p> <p>d. Obtain a listing of owner direct purchases (ODP) from the District related to each subcontract selected. Compare the ODP amounts to the sum of the deductive ODP change orders, per the selected subcontractor.</p>	<p>d. Obtained the listing of ODPs from the District and compared the amount to the sum of the net deductive ODP change orders for each of the selected subcontractors except for 4 subcontractors. CRI made an adjustment for all 4 subcontractors to include the correct owner direct purchases in their respective subcontractor values totaling \$3,544, as reported in Exhibit A.</p>
<p>8. If there are reimbursable labor charges included in the final job cost detail, from the total number of Construction Manager employee payroll transactions listed in the final job cost detail, haphazardly select a sample of at least 15 Construction Manager payroll transactions. Each sampled payroll transaction will be for a specific, identified time period of the Project.</p>	<p>o No reimbursable labor charges were identified in the final job cost detail.</p>
<p>9. From the final job cost detail, select any non-subcontractor line items that exceed \$50,000.</p>	<p>o There were no non-subcontractor vendors over \$50,000 identified in the final job cost detail.</p>
<p>10. From the final job cost detail, select amounts for payment and performance bond costs and builder's risk insurance (as applicable) and perform the following:</p> <p>a. Obtain a copy of or access to the original invoices and a copy of the cancelled check or other proof of payment to a third party. Compare the documentation obtained to the amounts recorded in the final job cost detail.</p>	<p>o Selected payment and performance bond and the corresponding bond credit from the final job cost detail. There were no charges for builder's risk insurance included in the final job cost detail.</p> <p>a. Obtained the invoices from the Construction Manager's insurance agent, and cancelled checks, for the payment and performance bond, the bond credit, and compared the amounts to the final job cost detail without exception.</p>
<p>11. From the final job cost detail, select amounts for general liability insurance and worker's compensation and perform the following:</p> <p>a. Where applicable, obtain the Construction Manager's internal allocation for general liability and worker's compensation insurance charges.</p>	<p>o Selected all general liability insurance and worker's compensation insurance charges from the final job cost detail.</p> <p>a. For general liability, CRI obtained the Premium and Coverage Summary from Brown &amp; Brown Insurance, the Construction Manager's insurance company.</p> <p>For worker's compensation, CRI obtained the rate sheet with modifiers and discounts originally provided from the Construction Manager's insurance group.</p>

PROCEDURES	RESULTS
<p>(11. Continued)</p> <p>b. Inspect the internal allocation method and calculation. Compare the documentation obtained in 11.a. above to the amounts recorded to the final job cost detail.</p> <p>c. If applicable, obtain third party invoices for internal allocation amounts.</p> <p>d. If applicable, obtain supporting documentation for the allocation base, i.e. annual company-wide revenue for the Construction Manager.</p> <p>e. If applicable, recalculate the Construction Manager's internal allocations and compare the recalculation to the amounts in the final job cost detail.</p>	<p>b. Inspected the internal allocation method and compared it to the amounts recorded in the final job cost detail. CRI recalculated worker's compensation without labor burden, which resulted in a \$10,183 adjustment.</p> <p>c. CRI obtained third party documentation for general liability and worker's compensation insurance rates as described in 11.a. above.</p> <p>d. Obtained supporting documentation for the allocation base from the premium statement and confirmed that base does not include owner direct purchases.</p> <p>e. Recalculated the Construction Manager's internal allocation calculation and compared the recalculation to the amounts in the final job cost detail. CRI made adjustments for worker's compensation in step 11.b. above. The adjustment is reported in Exhibit A.</p>
<p>12. Inquire of the Construction Manager to determine if there are any expenditures, in the final job cost detail, to entities related by common ownership or management to the Construction Manager.</p>	<p>o Inquired of the Construction Manager regarding expenditures in the final job cost detail to entities related by common ownership or management to the Construction Manager and noted there were none.</p>
<p>13. From the final job cost detail, haphazardly select at least five transactions determined to be the Construction Manager's internal charges to the Project, and perform the following:</p> <p>a. Obtain vendor invoices and Construction Manager calculations for internal charge rates.</p> <p>b. Compare the internal charge rates recorded in the final job cost detail to the supporting documentation obtained in 13.a. above.</p>	<p>o Selected all vehicle, field computer, software licenses, data plan, and cellphone charges in the final job cost detail.</p> <p>a. Obtained supporting documentation for the internal charges as follows:</p> <ul style="list-style-type: none"> <li>• Vehicles – set by OCPS at a specific amount in the initial general requirements schedule of values.</li> <li>• Data plan and field computers – Obtained vendor invoices without exception.</li> <li>• Software licenses – obtained vendor invoices and allocation calculation without exception.</li> </ul> <p>b. The internal charges for computers, data plan and software licenses were compared to the final job cost detail without exception. However, CRI calculated \$2,550 of vehicle costs above the not to-exceed allowance set in the contract documents. This adjustment is reported in Exhibit A. No supporting documentation was provided for cellphones but these charges were ultimately accepted by OCPS.</p>

PROCEDURES	RESULTS
<p>14. Obtain the Project’s Notice to Proceed (NTP) from OCPS and inspect the dates of the charges in the final job cost detail for recorded costs with dates prior to the date on the NTP.</p>	<ul style="list-style-type: none"> <li>○ Obtained the NTP and inspected the dates of the charges in the final job cost detail for costs recorded prior to the date on the NTP. There were \$43,814 of costs dated prior to the NTP date of January 29, 2020. The costs were for items required to begin the Project.</li> </ul>
<p>15. Inquire of the Construction Manager to determine whether they are using a subcontractor default insurance program (“subguard”) for subcontractor bonding requirements.</p>	<ul style="list-style-type: none"> <li>○ Per inquiry of the Construction Manager, a subguard program was not used on the Project.</li> </ul>
<p>16. Obtain all signed and executed change orders and construction change directives between OCPS and the Construction Manager for the duration of the Project.</p>	<ul style="list-style-type: none"> <li>○ Obtained all signed and executed change orders and construction change directives between OCPS and the Construction Manager without exception.</li> </ul>
<p>17. Obtain from OCPS, a log of the ODPs plus sales tax savings for the Project and perform the following:</p> <ul style="list-style-type: none"> <li>a. Recalculate the total ODPs, from the log obtained above, by taking the actual ODPs spent on the Project and comparing them to the original contract value (including ODPs) plus or minus any change orders (not including ODP change orders).</li> <li>b. If the above recalculated percentage is below 25% (as per section 20.3 of the General Conditions to the Agreement), inquire of the District regarding whether it was determined the Construction Manager failed to obtain any tax savings that could have been achieved. If so, inquire if the District will seek to recover the amount of any such missed tax savings from the Construction Manager.</li> </ul>	<ul style="list-style-type: none"> <li>○ Obtained the ODP log from the District without exception.</li> <li>a. Obtained the ODP log from the District without exception. CRI recalculated the percentage of the total owner direct purchases plus sales tax savings, per the ODP log, as a percentage of the original contract value (including ODPs) plus or minus any change orders (not including ODP change orders).</li> <li>b. Recalculated the percentage, which is 18.98%. Per inquiry of the District, “OCPS does not intend to recover the missed sales tax savings.”</li> </ul>
<p>18. Compare the ODP log plus sales tax savings amount obtained in 17. above, to the total signed and executed change order amounts obtained in 16. above relative to ODPs.</p>	<ul style="list-style-type: none"> <li>○ Compared the ODPs plus sales tax savings per the ODP log to the total signed and executed owner change order amounts relative to ODPs without exception.</li> </ul>
<p>19. Utilizing the not-to-exceed general requirements detail from the contract documents in 1. above, compare to the general requirements charges noted in the final job cost detail.</p>	<ul style="list-style-type: none"> <li>○ Compared the not-to-exceed general requirements per the contract documents with the actual general requirements charges noted in the final job cost detail without exception.</li> </ul>

PROCEDURES	RESULTS
<p>20. Recalculate the adjusted guaranteed maximum price (GMP) as follows:</p> <ul style="list-style-type: none"> <li>a. Obtain the original GMP amount, including any fixed or percentage-based Construction Manager fees or lump sums from the contract documents noted in 1. above.</li> <li>b. Add the original GMP amount (from 1. above) plus additive change orders and minus deductive change orders from 16. above.</li> </ul>	<ul style="list-style-type: none"> <li>a. Obtained the original GMP amount without exception.</li> <li>b. The net amount of change orders was deducted from the original GMP amount and is reported in Exhibit A as the adjusted guaranteed maximum price.</li> </ul>
<p>21. Obtain the final contract value, per the final pay application (noted in 5. above) and compare it to the adjusted GMP amount recalculated in 20.b. above.</p>	<ul style="list-style-type: none"> <li>o Compared the adjusted guaranteed maximum price to the final contract value, per the final pay application, without exception.</li> </ul>
<p>22. Recalculate the final construction costs as follows:</p> <ul style="list-style-type: none"> <li>a. Starting with the final job cost detail, adjust for any reductions identified in the application of the above procedures (i.e. subcontractor markup differences, non-reimbursable items, repair/rework items, etc., as applicable) to reach the “adjusted final job costs”.</li> <li>b. Utilizing the adjusted final job costs, add any fixed fees or lump sum amounts to reach the “final construction costs”.</li> <li>c. Compare the adjusted GMP amount calculated in 20.b. above to the final construction costs amount from 22.b. above.</li> </ul>	<ul style="list-style-type: none"> <li>a. The results of performing this procedure are reported in Exhibit A as adjusted final job costs.</li> <li>b. The results of performing this procedure are reported in Exhibit A as final construction costs.</li> <li>c. The results of this procedure are reported in Exhibit A.</li> </ul>
<p>23. Using the General Conditions attachment in the contract documents, obtain the raw rates for the Construction Manager’s personnel.</p> <ul style="list-style-type: none"> <li>a. Obtain from the Construction Manager a listing of the personnel that filled the positions listed in the General Conditions attachment.</li> <li>b. From the listing of Construction Manager personnel that filled the positions in the General Conditions attachment, choose a sample of at least 15 payroll entries and obtain documentation of the selected persons actual pay rate for the period selected.</li> </ul>	<ul style="list-style-type: none"> <li>o Obtained the raw rates for the Construction Manager’s personnel included in the General Conditions attachment in the contract documents.</li> <li>a. Obtained a listing of the personnel that filled the positions listed in the General Conditions attachment from the Construction Manger.</li> <li>b. From the listing of Construction Manager personnel entries, chose a sample of 15 payroll entries and obtained the Pay Stub for each of the items selected to document the actual pay rates.</li> </ul>

PROCEDURES	RESULTS
<p>(23. Continued)</p> <p>c. Compare the actual pay rate obtained in 23.b. above to the raw rate included in the General Conditions attachment.</p>	<p>c. The results of this procedure indicate the actual pay rate is less than the raw rate per the General Conditions attachment (“raw rate”) in 12 of the 15 samples tested. Overall, the average actual pay rate is 18% under the raw rate for the samples selected.</p>
<p>24. Obtain, from OCPS and/or the Construction Manager, all of the Project’s contingency logs and usage documents and inspect all contingency usage forms for OCPS’s designated representative’s signature of approval.</p>	<p>o Obtained the Project’s contingency log and usage documents and observed that all contingency usage forms evidenced approval of an OCPS designated representative without exception.</p>
<p>25. Compare the ending balances in the contingency funds, per the contingency logs obtained in 24. above, to the change order amount of the funds returning to OCPS, as obtained in 16. above.</p>	<p>o The remaining balances in the contingency funds were returned to OCPS in the final change order without exception.</p>
<p>26. Obtain a listing of assets acquired by the Construction Manager for the Project and verify the assets were turned over to OCPS.</p>	<p>o Obtained a listing of assets which indicated the assets not consumed were transferred to OCPS without exception.</p>
<p>27. Obtain the Certificate of Substantial Completion, signed by the Architect, and compare the date of this document to the time requirements contained in the contract documents.</p>	<p>o Obtained the Certificate of Substantial Completion without exception. The substantial completion date, as reported on the Certificate, was compared to the time requirements contained in the contract documents, adjusted by owner change orders and construction change directives, without exception.</p>
<p>28. Obtain the Certificate of Final Inspection, signed by the Architect, and compare the date of this document to the time requirements contained in the contract documents.</p>	<p>o Obtained the Certificate of Final Inspection without exception. The final completion date, as reported on the Certificate of Final Inspection, indicated the Construction Manager achieved final completion prior to the contractually required date. Final completion is to be achieved within 120 days after the date of substantial completion, which for this Project was May 8, 2021. The Certificate of Final Inspection was signed by the Architect on May 4, 2021.</p>
<p>29. Utilizing the Certificate of Final Inspection obtained in 28. above, inspect the dates of the charges in the final job cost detail for recorded costs with dates subsequent to the date of the Certificate of Final Inspection.</p>	<p>o Inspected the dates of the charges in the final job cost detail for recorded costs with dates subsequent to the date of the Certificate of Final Inspection and noted none.</p>



PROCEDURES	RESULTS
30. Obtain the SAP/Purchase Order reconciliation from OCPS and compare the guaranteed maximum price on the reconciliation to the guaranteed maximum price on the Construction Manager's final pay application, as noted in 5. above.	o Obtained the SAP/Purchase Order reconciliation from OCPS and agreed the guaranteed maximum price on the reconciliation to the guaranteed maximum price on the final pay application without exception.

We were engaged by The School Board of Orange County, Florida, to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the final construction costs and the adjusted guaranteed maximum price. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of T&G Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of The School Board of Orange County, Florida, and is not intended to be and should not be used by anyone other than the specified party.

*Carr, Riggs & Ingram, L.L.C.*

Orlando, Florida  
August 29, 2023

**The School Board of Orange County, Florida  
Colonial 9<sup>th</sup> Grade Center – Capital Renewal Project**

**Exhibit A – Project Costs**

**Calculation of the final construction costs**

Calculation of adjusted final job costs:

Construction Manager job costs	\$ 4,299,771
Remove duplicated labor charges	(9,766)
Subcontractor change orders not reimbursable to the project	(14,054)
Remove a subcontractor change order not properly backcharged	(1,537)
Reduce subcontract values to include the omission of owner direct purchases	(3,544)
Adjustment to workers compensation insurance	(10,183)
Vehicle costs in excess of the not-to-exceed allowance	(2,550)
<b>Adjusted final job costs</b>	<b>4,258,137</b>

Calculation of lump sum general conditions:

Original lump sum general conditions	356,416
General conditions added through owner change orders	14,155
	370,571

Calculation of the construction management fee:

Original construction management fee	259,073
Construction management fee from contingency use	164
Reimbursement for construction material testing	(142)
	259,095

**Final construction costs**

**\$ 4,887,803**

**Calculation of adjusted guaranteed maximum price**

Original guaranteed maximum price	\$ 6,292,465
Adjustments from change orders	(1,415,074)
Adjustments from construction change directive #2	60,000
	60,000

**Adjusted guaranteed maximum price**

**\$ 4,937,391**

**Construction costs, lesser of final construction costs and  
adjusted guaranteed maximum price**

**\$ 4,887,803**

**Owner direct purchases**

**1,105,486**

**\$ 5,993,289**