



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

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

**Hidden Oaks Elementary School – Replacement Project**



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

**Hidden Oaks Elementary School – Replacement 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 Hidden Oaks Elementary School – Replacement Project (the Project), as provided by Core Construction Services of Florida, LLC (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 Construction Management Contract (the Agreement), dated December 20, 2016, between OCPS and the Construction Manager, and Amendment #1, dated July 18, 2016 (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  |
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| 4. Obtain from the Construction Manager, a copy of the final job cost detail, dated March 19, 2020 (the "final job cost detail").  | ○ Obtained the final job cost detail without exception.  |
| 5. Obtain from the Construction Manager and OCPS, a copy of the final payment application request issued to OCPS, dated March 25, 2019 ("final pay application").  | ○ Obtained the final pay application without exception.  |
| 6. Obtain from the Construction Manager a reconciliation between the final job cost detail and the final pay application.  | ○ Obtained the Construction Manager's reconciliation between the final job cost detail and the final pay application without exception.  |
| <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, and subcontractor markups ("supporting documentation") for the subcontractor change orders in 7.a. above. Compare the change order amounts to the supporting documentation.</p> | <p>○ Selected all 21 subcontractors from the final job cost detail with subcontract values in excess of \$50,000.</p> <p>a. Obtained the subcontract and the related change orders for each of the selected subcontractors and compared the total amount recorded in the final job cost detail to the original subcontract amount plus or minus related change orders. CRI identified adjustments which are included in the exceptions reported below in step 7.b.</p> <p>b. Obtained the subcontractor and related change orders, executed between the selected subcontractors and the Construction Manager. Compared the total amount recorded in the final job cost detail to the original subcontract amount plus or minus the related change orders with the following exceptions:</p> <ul style="list-style-type: none"> <li>• In the reconciliation provided by the Construction Manager, \$173,939 of subcontractor costs were indicated as being non-reimbursable, as reported in Exhibit A. However, the Construction Manager was not able to identify the detail of the adjustment amount, and ultimately, was not sure if that amount was even correct. Finally, the Construction Manager produced a spreadsheet with adjustments to the subcontractors, but it was subsequently determined the spreadsheet had errors.</li> </ul> |

*Continued*

| PROCEDURES  | RESULTS  |
|---|--|
| <p>(7. Continued)</p> <p>c. Obtain from the Construction Manager, the final lien releases or individual payment lien releases totaling the final subcontract value submitted by the selected subcontractor to the Construction Manager. If the Construction Manager does not have lien releases available, obtain cancelled checks reflecting such payments made by the Construction Manager to the selected subcontractor (collectively the “payment documentation”). Compare the final subcontract amount to the payment documentation.</p> | <p>Therefore, CRI inspected supporting documents for all subcontractor change orders for the selected subcontractors, and inspected final job cost details for each of the subcontractors in an effort to determine the correct subcontract amount eligible for reimbursement by the District. CRI’s inspection revealed adjustments to the subcontract amounts for the following:</p> <ul style="list-style-type: none"> <li>• Subcontractor change orders for work that was not reimbursable to the Construction Manager.</li> <li>• Differences in the amount of the owner direct purchases per OCPS and the amounts deducted from the subcontractors’ subcontract amount.</li> <li>• Differences between the amount of the subcontract value included in the final job cost detail and the amount that was actually paid to the subcontractor.</li> <li>• Repair costs not billed to the District.</li> <li>• Amounts included in the subcontractor change orders for insurance, which was not allowed and was absorbed by the Construction Manager and, therefore, is not considered reimbursable.</li> <li>• Differences between the costs charged by the subcontractor for a change order and the amount authorized by the District.</li> </ul> <p>The total of the deductive amounts relative to the above is \$170,181. As the Construction Manager’s estimate totaled \$173,939, this resulted in an addition to the adjusted final job costs in the amount of \$3,758, as reported in Exhibit A.</p> <p>c. Obtained payment documentation for each of the selected subcontractors and compared the payment documentation to the final subcontract amount. CRI identified adjustments which are included in the exceptions reported in step 7.b.</p> |

| PROCEDURES  | RESULTS   |
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| <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 for each of the selected subcontractors to the sum of the net deductive ODP change orders to each selected subcontractor. CRI identified adjustments which are included in the exceptions reported in step 7.b.</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 and perform the following:</p> <p>a. Obtain a copy of or access to, the original invoice, pricing document, and a copy of the cancelled check for each item selected. If there are more than 10 entries for the non-subcontractor in the final job cost detail, select a sample of at least 5 items.</p> <p>b. Compare the documents obtained in 9.a. to the amount recorded in the final job cost detail.</p> | <p>o Selected the 2 non-subcontractor vendors from the final job cost detail with costs in excess of \$50,000.</p> <p>a. Obtained a copy of the original invoices and a copy of the cancelled checks for the five items selected for each vendor without exception.</p> <p>b. Compared the documents obtained in 9.a. to the amounts recorded in the final job cost detail without exception.</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 paid directly to a third party. Compare the documentation obtained to the amounts recorded in the final job cost detail.</p>   | <p>o Selected the payment and performance bond costs from the final job cost detail. No builder's risk insurance charges were noted in the final job cost detail.</p> <p>a. Obtained invoices from the Construction Manager's insurance broker, as well as the check stubs and statements that included the check where the payment was made, for the payment and performance bond. Compared the documentation obtained to the amounts recorded in the final job cost detail. This comparison resulted in a reduction in the payment and performance bond costs of \$9,836, as reported in Exhibit A.</p> |

| PROCEDURES  | RESULTS  |
|---|--|
| <p>11. From the final job cost detail, select amounts for general liability insurance and perform the following:</p> <ul style="list-style-type: none"> <li>a. Where applicable, obtain the Construction Manager’s internal allocation for general liability insurance charges.</li> <li>b. Inspect the internal allocation method and calculation.</li> <li>c. If applicable, obtain third party invoices for internal allocation amounts.</li> <li>d. If there is a self-insured portion of the premium, inquire regarding the calculation methodology for the self-insured portion of the premium. Obtain third party invoices or documentation for the calculation of the self-insured portion of the premium. Specifically inquire if that portion of the premium is based on actuarial calculations. If so, obtain the actuarial report supporting the calculation.</li> <li>e. If applicable, obtain supporting documentation for the allocation base, i.e. annual company-wide revenue for the Construction Manager.</li> <li>f. If applicable, recalculate the Construction Manager’s internal allocations and compare the recalculation to the amounts in the final job cost detail.</li> </ul> | <ul style="list-style-type: none"> <li>o Selected all general liability insurance charges from the final job cost detail. The entry for general liability insurance costs indicated that the amount was paid to CCG Services, Inc., a related party.</li> <li>a. Obtained the Construction Manager’s internal allocation for general liability insurance charges without exception.</li> <li>b. Inspected the internal allocation and calculation without exception. The Construction Manager provided a schedule detailing the insurance carriers and the associated premium amounts. CRI noted that 29% of the premiums were paid to CCG Insurance Co., a related party. Additionally, 8% of the premium amount was incurred with CCG Services, Inc. directly, involving administration of the entire insurance program.</li> <li>c. Obtained third party invoices and premium statements for insurance premium amounts not incurred with related parties. See result above at 11.b. for details of amounts traced to documents with related parties.</li> <li>d. The details of the amounts incurred with related parties were not provided to CRI; therefore, CRI was unable to determine if any of the amounts were self-insured.</li> <li>e. Obtained the basis for the premium allocation (applicable estimated revenues) from the invoices and premium statements provided by the Construction Manager.</li> <li>f. Recalculated the internal allocations and compared the recalculation to the amounts in the final job cost detail, resulting in an adjustment of \$79,820, as reported in Exhibit A.</li> </ul> |
| <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>   | <ul style="list-style-type: none"> <li>o Per inquiry of the Construction Manager, there were no related parties utilized on this Project. However, CRI identified expenditures to CCG Services, Inc. (CCG), a related party, in the final job cost detail.</li> </ul>  |

| PROCEDURES   | RESULTS   |
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| <p>13. If there are expenditures to entities related by common ownership or management noted in 12. above, perform the following:</p> <p>a. Report the entity and volume of the transactions to OCPS.</p> <p>b. Determine if such transactions are properly authorized by OCPS, in accordance with the contract documents.</p>   | <p>a. The following amounts were noted in the final job cost detail as expenditures to CCG:</p> <ul style="list-style-type: none"> <li>• \$5,874 for computer systems</li> <li>• \$98,308 for payment and performance bond</li> <li>• \$164,474 for general liability insurance</li> </ul> <p>b. CRI did not observe any communication between the Construction Manager and OCPS regarding the transactions with CCG.</p>   |
| <p>14. 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. Compare the internal charges recorded in the final job cost detail to the supporting documentation.</p> | <p>o Selected all computer system and vehicle charges in the final job cost detail. No other internal charges were identified in the final job cost detail.</p> <p>a. Requested the vendor invoices and calculations supporting the internal charges tested. The results of our request are as follows:</p> <ul style="list-style-type: none"> <li>• Regarding the computer system, obtained third party documentation and an allocation calculation and compared the supporting documentation to the amount in the final job cost detail. An adjustment was made to the Construction Manager’s allocation calculation totaling \$10. This adjustment is reported in Exhibit A.</li> <li>• For vehicle charges, the charges are set at \$850 per month for a contractually limited number of vehicles. CRI obtained the schedule of values for the general requirements, which includes vehicles, for the allowable monthly charge. CRI noted that the actual charges on the final job cost detail were higher than the allowance by \$22,232. This adjustment is reported in Exhibit A.</li> </ul> |
| <p>15. Obtain the Project’s Notice to Proceed (NTP) from OCPS and inspect the dates of the charges in the job cost detail for recorded costs with dates prior to the date on the NTP.</p>  | <p>o Obtained the NTP and did not identify any charges in the final job cost detail prior to the NTP date, except \$1,687 of charges for safety items, shop drawings, and office supplies. No adjustment is necessary.</p>  |

| PROCEDURES  | RESULTS  |
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| <p>16. Inquire of the Construction Manager to determine whether they are using a subcontractor default insurance program (“subguard”) for subcontractor bonding requirements. If so, perform the following:</p> <ul style="list-style-type: none"> <li>a. Inspect the final job cost detail, as well as subcontracts and change order line items for the selected subcontractors noted in 7. above, for line items described as subcontractor bond costs.</li> <li>b. Obtain a listing of the subcontractor contract values for the subcontractors included in the subcontractor default insurance program.</li> <li>c. Recalculate the reimbursable amount of subguard insurance costs by taking the subcontractor costs, plus ODPs, times the subguard insurance rate agreed to in a previous project with the Construction Manager.</li> <li>d. Obtain written representation that the subcontractors on the Project, enrolled in subguard, have not included bond costs in their payment applications.</li> </ul> | <ul style="list-style-type: none"> <li>o Per inquiry of the Construction Manager, a subguard program was utilized for the Project.</li> </ul> <ul style="list-style-type: none"> <li>a. There were no indications of subcontractor bond costs in the final job cost detail. Additionally, each of the subcontract agreements inspected stated this is a subguard project and, therefore, no subcontractor bonds were to be included in the subcontract value.</li> <li>b. Obtained a listing of the subcontractor contract values for the subcontractors included in the subguard program without exception.</li> <li>c. Recalculated the Construction Manager’s subguard insurance charges utilizing the rate agreed to in a previous project with the Construction Manager (1.19% times the subcontract value including owner direct purchases). Compared the recalculated amount to the amount in the final job cost detail, resulting in a decrease in the adjusted final job costs by \$8,652, as reported in Exhibit A.<br/><br/>While performing the procedures for a previous project with the Construction Manager, CRI observed third party invoices, payment documentation, and allocation calculations for the allocation of subguard costs to a project. It was agreed between OCPS and the Construction Manager to record subguard charges at a rate of 1.19% of the subcontracted costs.</li> <li>d. Obtained written representation that the subcontractors on the Project, enrolled in subguard, did not include bond costs in their payment applications.</li> </ul> |
| <p>17. Obtain all signed and executed change orders between OCPS and the Construction Manager for the duration of the Project.</p>  | <ul style="list-style-type: none"> <li>o Obtained all signed and executed change orders between OCPS and the Construction Manager without exception.</li> </ul>  |



| PROCEDURES   | RESULTS   |
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| <p>18. Obtain from OCPS, a log of the ODPs plus sales tax savings for the Project and perform the following:</p> <p>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).</p> <p>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.</p> | <p>○ Obtained the ODP log from the District without exception.</p> <p>a. Recalculated the ODP percentage, per the ODP log, 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).</p> <p>b. The Construction Manager did not meet the 25% ODP sales tax goal, as the recalculated percentage is 24.76%. CRI noted missed sales tax savings were returned to OCPS in the final owner change order.</p> |
| <p>19. Compare the ODP log plus sales tax savings amount obtained in 18. above, to the total signed and executed change order amounts obtained in 17. above relative to ODPs.</p>  | <p>○ Compared the ODPs per the ODP log to the total signed and executed owner change order amounts relative to ODPs without exception.</p>  |
| <p>20. 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>  | <p>○ Compared the not-to-exceed general requirements per the contract documents with the actual general requirements charges noted in the final job cost detail. The Construction Manager exceeded the not-to-exceed allowance by \$48,180. This adjustment is reported in Exhibit A.</p>   |
| <p>21. Recalculate the adjusted guaranteed maximum price (GMP) as follows:</p> <p>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.</p> <p>b. Add the original GMP amount (from 1. above) plus additive change orders and minus deductive change orders from 17. above to get the “adjusted guaranteed maximum price”.</p>  | <p>a. Obtained the original GMP amount without exception.</p> <p>b. The net change order amount was deducted from the original GMP amount without exception and is reported in Exhibit A as the adjusted guaranteed maximum price, per the final payment application.</p>   |

| PROCEDURES   | RESULTS   |
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| <p>22. Obtain the final contract value, per the final pay application (noted in 5. above) and compare it to the adjusted GMP amount recalculated in 21.b. above.</p>   | <ul style="list-style-type: none"> <li>○ Compared the adjusted guaranteed maximum price to the final contract value, per the final pay application, without exception.</li> </ul>   |
| <p>23. Recalculate the final construction costs as follows:</p> <ul style="list-style-type: none"> <li>a. Starting with the construction manager job costs, 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 guaranteed maximum price calculated in 21.b. above to the final construction costs amount from 23.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>24. 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> <li>c. Compare the actual pay rate obtained in 24.b. above to the raw rate included in the General Conditions attachment.</li> </ul> | <ul style="list-style-type: none"> <li>○ 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 Manager.</li> <li>b. From the listing of Construction Manager personnel entries, CRI chose a sample of 15 payroll entries and obtained the payroll stub for each of the items selected to document the actual pay rates.</li> <li>c. Compared the actual pay rates to the raw rates included in the General Conditions attachment. The results of this procedure indicate the actual pay rate is less than the raw rate per the General Conditions attachment (“raw rate”) in 11 of the 15 samples tested. Overall, the average actual pay rate is 6% under the raw rate for the samples selected.</li> </ul> |
| <p>25. Obtain, from OPCS and/or the Construction Manager, the Project’s contingency log and usage documents and inspect all contingency usage forms for OPCS’s designated representative’s signature of approval.</p>  | <ul style="list-style-type: none"> <li>○ Obtained the Project’s contingency log and usage documents and observed that all contingency usage forms evidenced approval of an OPCS designated representative without exception.</li> </ul>   |

| PROCEDURES   | RESULTS   |
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| 26. Compare the ending balances in the contingency fund, per the contingency log obtained in 25. above, to the change order amount of the funds returned to OCPS, as obtained in 17. above.  | ○ Compared the ending balances in the contingency funds, per the contingency log, to the change order amount of the funds returned to OCPS. The remaining balances in the contingency funds were returned to OCPS in the final change order without exception.  |
| 27. Obtain a listing of assets acquired by the Construction Manager for the Project and verify the assets were turned over to OCPS.  | ○ Obtained a listing of assets which verified the assets were transferred to OCPS or transferred to another OCPS project without exception.   |
| 28. 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.   | ○ Obtained the Certificates of Substantial Completion without exception. The substantial completion dates, as reported on the Certificates, were compared to the time requirements contained in the contract documents without exception.   |
| 29. 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.   | ○ Obtained the Certificate of Final Inspection and compared the date of the document to the time requirements contained in the contract documents. Final completion was to be achieved by January 16, 2019. The Certificate of Final Inspection was signed by the Architect on July 17, 2019. The final completion date, as reported on the Certificate of Final Inspection, indicated the Construction Manager achieved final completion 182 days after the contractually required date. |
| 30. Utilizing the Certificate of Final Inspection obtained in 29. 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.  | ○ 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. CRI noted costs of \$224 incurred after the CFI date, with \$138 of these costs not related to the Project. An adjustment for these costs is reported in Exhibit A.  |
| 31. 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. | ○ 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 Core Construction Services of Florida, LLC, 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 15, 2023

**The School Board of Orange County, Florida  
Hidden Oaks Elementary School – Replacement Project**

**Exhibit A – Project Costs**

**Calculation of the final construction costs**

|   |                      |
|---|----------------------|
| Calculation of adjusted final job costs:  |                      |
| Construction Manager job costs  | \$ 9,737,366         |
| Construction Manager estimated non-reimbursable subcontractor costs in excess of actual amounts     | 3,758                |
| Reduce payment and performance bond costs to reflect actual third party costs                       | (9,836)              |
| Reduce general liability insurance to actual costs  | (79,820)             |
| Reduce internal computer charges to reflect actual third party costs                                | (10)                 |
| Reduce vehicle costs to amount allowed per the original schedule of value for general requirements  | (22,232)             |
| Reduce subguard to actual costs   | (8,652)              |
| Amount the actual general requirements exceeded the contractual not-to-exceed                       | (48,180)             |
| Remove costs after the CFI date which did not apply to the Project                                  | (138)                |
| Adjusted final job costs  | 9,572,256            |
| Original lump sum general conditions  | 750,083              |
| Calculation of the construction management fee:   |                      |
| Original construction management fee  | 611,801              |
| Reimbursement for missed sales tax savings  | (1,334)              |
| Construction management fee earned on contingency   | 2,529                |
|   | 612,996              |
| <b>Final construction costs</b>   | <b>\$ 10,935,335</b> |
| <br><b><u>Calculation of adjusted guaranteed maximum price</u></b>                                  |                      |
| Original guaranteed maximum price   | \$ 14,608,038        |
| Adjustments from change orders  | (3,579,027)          |
| <b>Adjusted guaranteed maximum price</b>  | <b>\$ 11,029,011</b> |
| <b>Construction costs, lesser of final construction costs and adjusted guaranteed maximum price</b> | <b>\$ 10,935,335</b> |
| <b>Owner direct purchases</b>   | <b>3,424,264</b>     |
|   | <b>\$ 14,359,599</b> |