



COVE Meeting

CITIZENS' CONSTRUCTION OVERSIGHT AND VALUE ENGINEERING

June 19, 2014

COVE Meeting Agenda

Thursday, June 19, 2014 @ 8:00 a.m.
Facilities Services - Building 200
6501 Magic Way, Orlando, Florida 32809

- I. Call to Order and Approval of May 2014 COVE Meeting Minutes**
- Egerton van den Berg – Chairman ----- Pg.1-3

- II. Departmental Reports**
 - a. **Project Status** - Marc Clinch and Regina Frazier-Thomas- Pg.4-5
 - b. **Change Order Reports** - Roberto Pacheco ----- Pg.6-7

- III. Presentations**
 - a. **OCPS Internal Audit of COVE Reports** – Linda Lindsey Pg.8-21

- IV. Discussion and Adjournment** ----- Pg.22

COVE Meeting Minutes

The Construction Oversight and Value Engineering Committee (COVE) monthly meeting convened on Thursday May 15, 2014 at 8:12 a.m., at Facilities Services, 6501 Magic Way, Bldg. 200, Orlando, Florida 32809.

COVE Members in Attendance: Ksenia Merck, Derryl Benton, Ernesto Gonzalez-Chavez, James Knapp, Pat Knipe and Stuart Kramer.

OCPS Staff in Attendance: Faz Ali, Jared Brooks, Regina Frazier-Thomas, Basem Ghneim, Jeff Hart, Joycelyn Henson, Mayra Monge, John Morris, Roberto Pacheco, and Sandy Simpson.

Other Attendees: Dick Batchelor

Call to Order

Ksenia Merck, Vice-Chairman called the meeting to order at 8:12 a.m.

Approval of Minutes

The minutes from April 17, 2014 were presented and approved unanimously by the Committee.

Project Status

Regina Frazier-Thomas and Jeff Hart provided a monthly status update for new/replacement and comprehensive projects. Regina Frazier-Thomas mentioned that she made changes to the report, columns F4 (Construction Change Orders) and F5 (OCIP & ODP Change Orders) would now be reflecting the deductive and the reconciled change orders.

Regina explained to the Committee that Eccleston ES is out of the close-out phase and is awaiting audit, and 2-K8-E-1 (Wedgfield K-8) was moved from the planning to the design Phase.

COVE members requested the report to reflect what type of prototype and delivery method apply for the schools, i.e. CM vs. Hard bid.

Jeff Hart provided a monthly status update for new/replacement and comprehensive projects. He informed the Committee that there are thirteen projects under construction (amounting to \$291M) with an increase from last month's report based on a \$2.5M Budget Amendment for Dr. Phillips. Jeff also stated that Dr. Phillips HS, bldg. 300 is

scheduled for completion late May and move-in will be the last week of May. There are two projects currently in close-out phase (University HS and Oak Ridge HS).

Change Order Report

Roberto Pacheco reported that during the month of April 2014 there were no significant Change Orders or amendments equal to, or exceeding \$200,000.

Furthermore, he outlined a list of RFQ's currently soliciting different services and provided a timeline for each RFQ. The list included: CM services for 2-K8-E-1 (Wedgefield Area K8), Blankner K8, Boone HS and RBELC (building HVAC renovation project). Also, A/E services for Blankner K8 and Boone HS.

Roberto Pacheco and Joycelyn Henson provided a follow-up regarding the participation of local contractors on the two hard bid projects under construction. They reviewed the Minority and Women Business Enterprise Policy and Local Developing Business Policy, Local Preference Criteria for Vendors and Standard Metropolitan Statistical Area definitions.

Mr. Pacheco presented the project information such as: architect, general contractor, contract amount, number of primes (local and non-local), classification of subs, numbers of firms and total amount of contracts for Pineloch, Ocoee, Shingle Creek and John Young Elementary schools.

COVE members requested the addition of footnotes explaining: history of the projects (dates), when the project was awarded, date of anticipation of completion, number of primes, how many primes are local or non-local or MWB/E, ratio of number of firms and history about the design phase.

Design Guidelines Process and Review Schedule Presentation

Faz Ali and Basem Ghneim provided an overview of the design guidelines update process including: policy, prerequisites, process, list of stakeholders, and design guidelines review and approvals. They also provided a tentative 2014 Milestones for design guidelines meetings.

COVE members requested involvement in both the early and the end stages of the process. The Planning & Design/Program Management team will provide a process for COVE member's involvement.

Change 4 Kids Presentation

Mr. Dick Batchelor, founder of Change4Kids, discussed what the campaign organization is doing to promote approval of the half-penny sales tax to fund renovation, replacement and technology implementation at existing Orange County schools. He told COVE members about the organization's honorary chairs and community advisory panels, as well as fundraising success for the campaign.

Mr. Batchelor thanked COVE members and Mr. Morris for the great leadership and support they provide the district, explaining that their efforts increase chances of passage by voters.

Advance Planning Presentation Follow up

Sandy Simpson reported back the data of students enrollment growth history requested at the previous COVE meeting. Data shows that since 1978 to present there has been an annual average growth of 3,500 students.

Ernesto Gonzalez-Chavez requested adding a line to the report showing population growth in the county.

Pat Knipe requested adding an annual average percentage increase to the chart.

Adjournment

There being no further business the meeting was adjourned at 9:20 a.m.

The next meeting will be on Thursday, June 19, 2014, at 8 a.m., at Facilities Services, 6501 Magic Way, Bldg. 200, Orlando, Florida 32809.

Minutes Authenticated by:

Egerton van den Berg
Chairman COVE Committee

Date of approval

Woody Rodriguez
General Counsel
School Board of Orange County, Florida

Date of approval

PROJECT STATUS SUMMARY REPORT
COMPREHENSIVE SCHOOLS

06/07/2014 F7

School Name	F1 Original 2006 Board Adopted Budget	F2 Adopted Budget Changes	F3 Current Board Adopted Budget	Est. Cost At Completion	Variance	GMP Amount	F4 Construction Change Orders		F5 OCIP & ODP Change Orders		Approved Construction			F6 Number of Days Past Substantial Past Substantial (Close-out)
	Amount	#	Deduct	#			NTP Construct	Contract Subst. Com	Projected Completion					
	Budget										Schedule			
PLANNING PHASE														
Cypress Park ES	9,925,999	(1,071,728)	8,854,271	8,854,271										
Dover Shores ES	16,650,063	150,349	16,800,412	16,800,412										
Dream Lake ES	19,371,708	(1,124,228)	18,247,480	18,247,480										
Lockhart ES	19,211,611	(5,249,106)	13,962,505	13,962,505										
Riverside ES	11,366,870	2,822,668	14,189,538	14,189,538										
Sub Total	76,526,251	(4,472,045)	72,054,206	72,054,206	-	-	-	-						
DESIGN PHASE														
Apopka ES Comp	11,435,483	3,791,607	15,227,090	15,227,090										
Lake Whitney ES Comp	3,964,301	7,517,976	11,482,277	11,482,277										
Westridge MS Comp (Phase 2)	33,544,083	(2,429,205)	31,114,878	31,114,878	-									
Sub Total	48,943,867	8,880,378	57,824,245	57,824,245	-	-	-	-						
CONSTRUCTION PHASE					-									
Cypress Creek HS Comp	60,074,403	(1,189,733)	58,884,670	58,884,670	-	41,999,829	(55,771)	1	(9,000,000)	3	11/19/2013	02/22/2016		
Dr. Phillips ES Comp	9,584,024	4,336,545	13,920,569	13,920,569	-	10,068,320	221,040	2	(2,606,444)	2	09/05/2013	06/30/2014		
Dr. Phillips HS Comp	58,549,672	8,070,643	66,620,315	66,620,315	-	48,709,730	723,696	16	(12,869,068)	2	09/19/2012	03/16/2015		
Lake Silver ES Comp	18,006,348	(2,636,791)	15,369,557	15,360,201	(9,356)	10,840,153	104,696	3	(3,250,000)	1	09/24/2013	07/14/2014		
Waterford ES Comp	14,942,364	(1,121,372)	13,820,992	13,820,831	(161)	9,994,354	(32,982)	5	(2,620,000)	2	09/04/2013	06/30/2014		
Sub Total	161,156,811	7,459,292	168,616,103	168,606,586	(9,517)	121,612,386	960,678	27	(30,345,512)	10				
CLOSE OUT PHASE														
University HS Comp	26,829,734	13,277,219	40,106,953	39,571,169	(535,784)	28,830,520	2,376,738	28	(7,796,018)	5	02/19/2010	04/13/2012		785
Sub Total	26,829,734	13,277,219	40,106,953	39,571,169	(535,784)	28,830,520	2,376,738	28	(7,796,018)	5				
Grand Total	313,456,663	25,144,844	338,601,507	338,056,206	(545,301)	150,442,906	3,337,417	55	(38,141,529)	15				

Footnotes

F1 - Reflects figure from the 10yr Capital Budget dated September 12, 2006.

F2 - Reflects changes to initial cost projection.

F3- Figure comprised of prior year expenditures, current and future planned funding (Summary Budget 2012-2013). There are no land costs included.

F4 - Reflects total number of change orders and cumulative change order amount. Does not include OCIP and ODP deductive and reconciliation change orders.

F5 - Reflects the total amount and number of OCIP and ODP deductive and reconciliation change orders to date.

F6 - Reflects number of days beyond substantial completion. See justification below under Close Out Delays.

F7 - Report relects approved changes as of the date reflected.

Change Orders / Construction Change Directives

University HS CO#22 in the amount of \$276,630.00 - Emergency lighting: add new emergency lighting in service area, replace existing emergency lights in exterior corridors and place courtyard lights on a new UPS system

Westridge MS - Phase II is \$1.5M of the \$31M reflected.

Close Out

Awaiting Audit: Aloma ES, Arbor Ridge K-8, Brookshire ES, Lancaster ES

Submitted for Audit: Princeton ES, Winegard ES, Zellwood ES

Close Out Delays: **University HS** - Nonconforming work in place.



PROJECT STATUS SUMMARY REPORT

NEW AND REPLACEMENT SCHOOLS

06/07/2014 F7

School Name	F1 Original 2006 Board Adopted Budget	F2 Adopted Budget Changes	F3 Current Board Adopted Budget	Estimated Cost At Completion	Variance	GMP Amount	F4 Construction Change Orders		F5 OCIP & ODP Change Orders		Approved Construction			F6 # of Days Past Substantial Completion (close-out)	
							Amount	#	Deducts	#	NTP	Construct.	Contract Subst. Com	Projected Completion	
	Budget										Schedule				
PLANNING PHASE															
Carver MS	38,743,416	(6,431,005)	32,312,411	32,312,411											
Tangelo Park ES	13,928,418	(1,214,592)	12,713,826	12,713,826											
Sub Total	52,671,834	(7,645,597)	45,026,237	45,026,237	-	-	-	-							
DESIGN PHASE															
Clay Springs ES Replacement	4,421,720	13,500,280	17,922,000	17,922,000	-										
41-E-SE-2 (Eagle Creek ES)	24,586,240	(8,269,468)	16,316,772	16,316,772	-										
63-E-W-4 (Independence ES)	34,595,309	(18,268,328)	16,326,981	16,326,981	-										
Lake Weston ES Replacement	13,417,633	2,263,087	15,680,720	15,680,720	-										
Lovell ES Replacement	14,942,364	1,022,636	15,965,000	15,965,000	-										
2-K8-E-1 (Wedgefield K-8)	38,201,625	(5,232,767)	32,968,858	32,968,858	-										
Sub Total	130,164,891	(14,984,559)	115,180,332	115,180,331	-	-	-	-							
CONSTRUCTION PHASE															
John Young ES Replacement HARDBID	5,184,086	10,028,415	15,212,501	14,103,000	(1,109,501)	10,053,000	231,769	5	(3,150,000)	2	08/21/2013	07/14/2014			
Little River ES Replacement	4,792,012	9,135,958	13,927,970	13,923,000	(4,970)	9,835,426	144,036	6	(2,500,000)	1	08/08/2013	06/30/2014			
Ocoee ES Replacement HARDBID	9,874,449	5,079,249	14,953,698	14,582,000	(371,698)	10,723,596	178,121	5	(2,818,675)	3	08/08/2013	07/14/2014			
Pineloch ES Replacement HARDBID	14,332,472	886,221	15,218,693	15,218,000	(693)	10,738,647	109,229	3	(2,747,906)	3	08/08/2013	07/07/2014			
Shingle Creek ES Replacement HARDBID	6,824,987	10,176,843	17,001,830	15,073,000	(1,928,830)	9,627,000	265,146	7	(3,150,000)	2	08/21/2013	07/21/2014			
Spring Lake ES Replacement	12,807,741	2,049,169	14,856,910	14,856,000	(910)	11,267,748	-	-	(2,378,466)	3	08/05/2013	06/30/2014			
Washington Shores ES Replacement	17,650,668	(2,868,782)	14,781,886	14,781,886	-	11,470,290	45,065	2	(3,400,000)	1	06/26/2013	06/30/2014			
Wheatley ES Replacement	29,137,610	(12,677,610)	16,460,000	15,959,000	(501,000)	12,436,428	(474,967)	4	(2,487,286)	1	10/01/2013	07/30/2014			
Sub Total	100,604,025	21,809,463	122,413,488	118,495,886	(3,917,602)	86,152,135	498,399	32	(22,632,333)	16					
CLOSE OUT PHASE															
Oak Ridge HS Replacement	82,715,136	(9,971,083)	72,744,053	70,086,055	(2,657,998)	54,470,939	929,182	24	(18,182,227)	9	09/09/2010	10/23/2013			227
Sub Total	82,715,136	(9,971,083)	72,744,053	70,086,055	(2,657,998)	54,470,939	929,182	24	(18,182,227)	9					
Grand Total	366,155,886	(10,791,776)	355,364,110	348,788,509	(6,575,600)	140,623,074	1,427,582	56	(40,814,560)	25					

Footnotes

F1 - Reflects figure from the 10yr Capital Budget dated September 12, 2006. * With the exception of 21-M-E-2 (Avalon Pk Area) and 2-M-E-1 (Wedgefield) - 10 yr Capital Budget dated September 9, 2008

F2 - Reflects changes to initial cost projection.

F3- Figure comprised of prior year expenditures, current and future planned funding (Summary Budget 2012-2013). There are no land costs included.

F4 - Reflects total number of change orders and cumulative change order amount. Does not include OCIP and ODP deductive and reconciliation change orders.

F5 - Reflects the total amount and number of OCIP and ODP deductive and reconciliation change orders to date.

F6 - Reflects number of days beyond substantial completion. See justification below under Close Out Delays.

F7 - Report relects approved changes as of the date reflected.

Change Orders / Construction Change Directives

Oak Ridge HS - CCD#5 for \$694,871 - Completion of Phase III per Board approved design modification and CO#21 for \$479,024 - Building 300 has experienced exessive settlement requiring remedial work to correct deficiency

Close Out

Awaiting Audit: Hackney Prairie ES, SunBlaze ES, Eccleston ES

Submitted for Audit: Rock Springs ES

Close Out Delays:



Change Order/Amendment Report

Facilities & Construction Contracting
May 2014

There are no significant change orders or amendments to report for the month of May 2014.

OCPS FACILITIES & CONSTRUCTION CONTRACTING

RFQs / HARD BIDS in Progress: June 2014

No.	Contract Description	Pre Submittal Meeting	Open Date	Shortlist Meeting	Interview Meeting	Board / CFO Date	Status
RFQ 1405PS	A/E Services for Blankner K-8 and Boone HS Capital Renewal Project	4/24/2014	5/13/2014	5/21/2014	6/13/2014	7/29/2014	Open
RFQ 14CM06	CM Services for Blankner K-8 and Boone HS Capital Renewal Project	4/25/2014	5/16/2014	5/30/2014	7/8/2014	7/29/2014	Open
RFQ 14CM07	CM Services for Ronald Blocker Educational Leadership Center (RBELC) Building HVAC Renovation Project	5/2/2014	5/20/2014	5/28/2014	6/12/2014	6/24/2014	Open
HARD BID 14CC08	2 Schools - Elementary School Site #41-E-SE-2 & Site #63-E-W-4	6/19/2014	7/1/2014	N/A	N/A	7/29/2014	On-Going



2014

Orange County Public Schools Audit of Citizen's Construction Oversight and Value Engineering (COVE) Reports

Internal Audit Report

COVE Reports

April 21, 2014



Table of Contents

COVE Reports

April 21, 2014

	Page Number
BACKGROUND	1
OBJECTIVES, SCOPE AND METHODOLOGY	1 - 2
FINDINGS AND RECOMMENDATIONS	3 - 6

COVE Reports

BACKGROUND

Since 1997, the Citizens' Construction Oversight and Value Engineering Committee, commonly known as COVE, has been overseeing all school construction projects within Orange County Public Schools. The committee is made up of volunteers with expertise in construction, architecture, engineering, finance and auditing.

As part of the half-cent sales tax package approved by voters in September of 2002, COVE has been and will continue to oversee all construction and renovation projects for as long as the sales tax is in effect. The committee's involvement helps to ensure that tax dollars are spent effectively.

The COVE Committee is provided reports at its meetings that present a financial overview of capital construction projects. The COVE Report is prepared by the Facilities Fiscal department.

The process of preparing the COVE Report is somewhat labor intensive and not automated. Data must be gathered from a number of sources including the general ledger in SAP, published historical and current budget documents, and reports of estimated costs to complete from the construction division. These data are put into a report format in Excel and footnote explanations are added to develop the report presented to COVE. Compilation of the data and preparation of the report is handled by the Senior Manager of Facilities Fiscal Services.

OBJECTIVES, SCOPE AND METHODOLOGY

OBJECTIVES:

The objectives of this audit included an evaluation of efficiency and effectiveness of the COVE reporting procedures and tests to determine the accuracy of the data presented in those reports. The audit was also developed to assist the department in attaining its goals and achieving compliance with applicable laws and regulations as well as district policies. Consideration was given to circumstances which may prevent the achievement of goals.

SCOPE:

The scope of the audit was designed to ensure that the objectives of the engagement would be met, considering the reliability and validity of information obtained from systems, records and staff. We performed detailed testing of the January 2014 COVE report.

METHODOLOGY:

Our audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* of the Institute of Internal Auditors and included such procedures as deemed necessary to accomplish audit objective. Internal Auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. We are required to note any material deficiencies in accordance with Florida Statutes, School Board Policy and sound business practices. We also offer suggestions to improve controls or operational efficiency and effectiveness.

FINDINGS AND RECOMMENDATIONS

The COVE Report for January 2014 reported data for 26 projects that were in some stage of planning, design, construction or close-out. The data originates in three different areas of the organization – Budget, Facilities & Construction Contracting and Facilities Control. The Facilities Fiscal department prepares the COVE Report from the data supplied from these areas.

Corrections involving the Facilities Fiscal Department

Current Board Adopted Budget:

Lake Whitney ES and Clay Springs ES –

The COVE Report's Current Board Adopted Budget amount was understated by \$2,500 on these projects because it was assumed that the \$2,500 in budgeted costs were land. The COVE Report amounts should be increased by \$2,500 for each of these two schools.

University HS –

The COVE Report's Current Board Adopted Budget for the project shows a difference of \$401,519.60 between the general ledger in SAP and the COVE Report. The COVE Report should be corrected to show the Current Board Adopted Budget as \$40,106,952.60.

Eagle Creek ES –

The COVE Report's Current Board Adopted Budget figure is understated by \$100,000. The COVE Report should be corrected.

Independence – Summerport ES –

The Current Board Adopted Budget amount in the COVE report is overstated by \$1,590,910. The inconsistency will be addressed at the next Budget cycle meeting on February 27, 2014. The COVE Report should be corrected.

Lake Weston ES –

The Current Board Adopted Budget amount in the COVE report for this project needs to be corrected to show \$15,680,720. This adjustment will reconcile it with the Budget Book for 2014.

Washington Shores ES –

The 2013 - 2014 Adopted Summary Budget Book for Capital Outlay for this project

shows a difference of \$49,007 when compared to the 2014 SAP record. The COVE Report shows the same overage of \$49,007. This is attributed to an amount paid to Frank Gay Plumbing in 2010. The COVE Report should be corrected to exclude this amount.

Oakridge HS -

There is a difference of \$3,137,422 between the Project Budget Review for June 24, 2013 and the COVE Report's Current Board Adopted Budget. SAP and the COVE Report both show the same amount for the project. Management should reconcile the difference between the Project Budget Review, SAP and the COVE Report. The Estimated Cost at Completion on the COVE Report, \$69,555,024, should be revised to show \$69,481,713 which is the amount reported on the November - December 2013 Cost of Completion Comparison report. This amount still differs from SAP but the current projections from Facilities Program Management – Controls Manager will show a cost savings for the project. The draft report for the FYE 2015 Project Budget Review for the Oak Ridge HS project shows \$70,086,000 as the estimated cost at completion.

Estimated Cost at Completion:

The Estimated Cost at Completion amounts reported on the January 2014 COVE Report had not been updated from those reported in the November 2013 COVE Report. (There was not a December COVE meeting.) An updated Estimated Cost at Completion worksheet, which is prepared by the Controls Manager for Facilities Program Management, was not received in the Facilities Fiscal Department in time to be incorporated into the January COVE Report.

GMP Amount:

There was an error reported in GMP Amounts for University HS. The correct amount should be \$28,830,520 instead of \$31,043,068.

Construction Change Orders and OCIP and ODP Change Orders:

There were two errors in the amounts reported as Construction Change Orders. Ocoee ES should have \$21,392.62 for construction change orders and Oak Ridge HS should have \$858,784.12, instead of amounts reported of \$24,627 and \$929,182, respectively.

There were three errors in amounts reported as OCIP and ODP Change Orders. University HS should have a credit of \$7,796,017.65 instead of \$7,754,766. Eccleston

ES should have a credit of \$3,479,136 instead of \$3,679,136. Oak Ridge HS should have a credit of \$18,182,226.66 instead of \$18,411,520.

NTP and Substantial Completion Dates:

There was one error noted for NTP dates. Dr. Phillips HS should show 9/19/2012. The substantial completion dates, as noted on the NTP letter, were adjusted to reflect modifications as permitted by approved change orders.

There were two errors noted for NTP dates. Oak Ridge HS should show 9/7/2010 instead of 7/7/2010 and University HS should show 2/19/2010 instead of 2/18/2010, according to the NTP letters. The NTP dates may vary by a couple of days because the contract and the NTP letter may not have the same dates. The substantial completion dates, as noted on the NTP letter or the contract, are adjusted to reflect modifications as permitted by approved change orders.

Corrections involving the Budget Department

Eagle Creek ES –

The 2013 - 2014 Adopted Summary Budget Book for Capital Outlay included land costs of \$6,836.90 and \$644.20 in 2014, \$4,980.90 in 2013. The 2014 Adopted Summary Budget Book for Capital Outlay excluded construction costs of \$542.60 in 2013. The COVE Report needs to be corrected for these errors.

Eccleston ES –

This project is overstated in SAP by \$51,084.08 because of an adjustment in SAP to reclassify Qualified School Construction Bond (QSCB) funds. The amounts reported in the COVE Report and in the 2013 -2014 Adopted Summary Budget Book for Capital Outlay are correct.

Oakridge HS –

The 2013 - 2014 Adopted Summary Budget Book for Capital Outlay included an unexpended budget for land costs of \$60,407.16. The budget should be corrected to exclude this amount once project close-out is complete.

Washington Shores ES –

The 2013 - 2014 Adopted Summary Budget Book for Capital Outlay for this project shows a difference of \$49,007 between the 2014 SAP record. The COVE Report shows the same difference of \$49,007. This is attributed to the balance remaining on a 2009

purchase order to Frank Gay Plumbing. The budget should be corrected to exclude this amount. The COVE Report should be corrected to exclude the \$49,007, paid out to Frank Gay Plumbing for District-Wide Capital as it is unrelated to this project.

COVE Report Preparation

The COVE Report is prepared by the Facilities Fiscal Department; however the information in the report is not created or maintained in Facilities Fiscal. In order to prepare the report, the Senior Manager of Facilities Fiscal Services researches and pulls information from a number of sources. To improve accuracy and efficiency we recommend that the departments that originate the data submit it to the Senior Manager of Facilities Fiscal Services for preparation of the COVE Report. Alternatively, a report template could be put in a shared location and each department could enter its data directly into the report with the Senior Manager of Facilities Fiscal Services acting as a quality reviewer and publisher of the final report.

Reporting of OCIP and ODP Change Orders

At present only deductive OCIP and ODP change orders are reported on the COVE report. There are times when change orders for these items are additive, especially during the close-out and reconciliation process. For improved accuracy of the amounts reported for OCIP and ODP we recommend that all such change orders, whether deductive or additive, be reported in those columns of the COVE Report.

Notice to Proceed (NTP) Dates

We observed inconsistencies in the determination of the NTP date. In some cases it was the date on the actual NTP letter. Other times it was the date the purchase order was issued, the date the NTP letter was faxed to the contractor or the date the contract was signed or approved. A standard for determining the contractual NTP date should be agreed between Facilities & Construction Contracting and Facilities Services and followed on a consistent basis. This will help if contractual disputes arise as well as with project documentation.

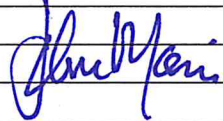
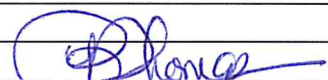
We would like to thank the staff of the Facilities Fiscal Department for their cooperation and assistance during the audit.

Alva Johnson, Auditor

AUDIT RESPONSE MATRIX

FISCAL PERIOD: FY2014

DEPARTMENT/SCHOOL:
ADMINISTRATOR/PRINCIPAL:
DEPARTMENT HEAD/AREA SUPERINTENDENT:

Facilities Fiscal	
John Morris	
Regina Frazier-Thomas	

Exception Noted What is? What should be?	Management Response What needs to be done?	Responsible Person Who needs to do it?	Outcome Timeline When will the action be completed? What is the evidence of completion?
FACILITIES FISCAL DEPT Current Board Adopted Budget Lake Whitney ES University HS Eagle Creek ES Independence/Summerport ES Lake Weston ES Washington Shores ES Oak Ridge HS Estimated Cost At Completion All Schools GMP Amount University HS Construction Change Orders (OCIP/ODP) Ocoee ES Oak Ridge HS NTP and Substantial Completion Dates Dr. Phillips HS Oak Ridge HS	<p>Correct the COVE Report in accordance with the audit report dated 4/21/14.</p> <p>Update Estimated Costs at Completion on the COVE Report in accordance with the audit report dated 4/21/14.</p> <p>Correct the COVE Report in accordance with the audit report dated 4/21/14.</p> <p>Correct the COVE Report in accordance with the audit report dated 4/21/14 to include the recognition of reconciliation change orders.</p> <p>Correct the COVE Report in accordance with the audit report dated 4/21/14.</p>	<p>Sr. Manager of Facilities Fiscal Services</p> <p>Sr. Manager of Facilities Fiscal Services</p> <p>Sr. Manager of Facilities Fiscal Services</p> <p>Sr. Manager of Facilities Fiscal Services</p> <p>Sr. Manager of Facilities Fiscal Services</p>	<p>Corrections to the current board adopted budget for the schools listed were completed on the 2/08/14 COVE Report and distributed at the COVE meeting dated 2/20/14.</p> <p>Corrections to the estimated cost at completion for all schools were completed on the 2/08/14 COVE Report and distributed at the COVE meeting dated 2/20/14.</p> <p>Correction of the GMP value for University HS was completed on the 5/10/14 COVE Report and distributed at the COVE meeting dated 5/15/14.</p> <p>Corrections to the change order values for Ocoee ES and Oak Ridge HS along with the inclusion of reconciliation change orders was completed on the 5/10/14 COVE Report and distributed at the COVE meeting dated 5/15/14.</p> <p>Corrections to the NTP and Substantial Completion dates for Dr. Phillips HS and Oak Ridge HS were completed on the 5/10/14 COVE Report and distributed at the COVE meeting dated 5/15/14.</p>

BUDGET DEPT Current Board Adopted Budget Eagle Creek ES Eccleston ES Oak Ridge HS Washington Shores ES CONSTRUCTION CONTRACTING Notice to Proceed Dates	Correct the COVE Report in accordance with the audit report dated 4/21/14.	Sr. Manager of Facilities Fiscal Services	Correction was completed on the 5/10/14 COVE Report and distributed at the COVE meeting dated 5/15/14. (<i>See attached</i>). No action is needed from the Budget Department at this time.
	Correct SAP to reduce the project's budget.	Sr. Administrator, Budget	The corresponding budget adjustment to QSCB 10 funds was not recorded in SAP. However, this project is listed to be adjusted down during final amendments to the FY 13-14 budget and subsequently SAP will reflect the reduction.
	No action needed at this time.		The project budget includes \$60,407.16 for site related expenses. These are costs that are currently included in the project's budget. During annual budget development, the estimated costs for individual projects are reevaluated; if it is determined that this appropriation is no longer needed, the FY 14-15 budget will reflect that.
	Correct budget to exclude \$49,007 from the project.	Sr. Administrator, Budget	This project is listed to be adjusted during final amendments to the FY 13-14 budget. The amendment will exclude \$49,007 from the project's budget and add it to districtwide capital in order to cover prior year encumbrances.
	Establish a standard for identification of notice to proceed dates for end users.	Director Facilities & Construction Contracting	<p>The notice to proceed date shall be the date indicated in the body of the notice to proceed letter as concluded by The Facilities Services, Facilities & Construction Contracting, Budget, and Program Management Teams. (<i>See attached</i>)</p> <p><i>In Summary:</i> The Percentage of Monetary Error for this audit is: 1.2% Since initial review in January of 2012, the Facilities Fiscal Dept. has recognized process and data improvement in the compilation and preparation of the COVE Report. Also, in conjunction with the Project Management Team and the OCPS Budget Dept. we have been able to increase the accuracy and consistency of the information presented to the COVE committee. We look forward to continuing that effort.</p>



PROJECT STATUS SUMMARY REPORT COMPREHENSIVE SCHOOLS

05/10/2014 F7

School Name	F1 Original 2006 Board Adopted Budget	F2 Adopted Budget Changes	F3 Current Board Adopted Budget	Est. Cost At Completion	Variance	GMP Amount	F4 Construction Change Orders		F5 OCIP & ODP Change Orders		Approved Construction			F6 Number of Days Past Substantial (Close-out)
							Amount	#	Deduct	#	NTP Construct	Contract Subst. Com	Projected Completion	
Budget														
Schedule														
PLANNING PHASE														
Sub Total					-	-	-	-						
DESIGN PHASE														
Apopka ES Comp	11,435,483	3,791,607	15,227,090	15,227,090										
Lake Whitney ES Comp	3,964,301	7,517,976	11,482,277	11,482,277										
Westridge MS Comp (Phase 2)	33,544,083	(2,429,205)	31,114,878	31,114,878	-									
Sub Total	48,943,867	8,880,378	57,824,245	57,824,245	-	-	-	-						
CONSTRUCTION PHASE														
Cypress Creek HS Comp	60,074,403	(1,189,733)	58,884,670	57,796,733	(1,087,937)	41,999,829	(55,771)	1	(8,000,000)	2	11/19/2013	02/22/2016		
Dr. Phillips ES Comp	9,584,024	4,336,545	13,920,569	13,920,248	(321)	10,068,320	44,662	0	(2,606,444)	2	09/05/2013	06/30/2014		
Dr. Phillips HS Comp	58,549,672	8,070,643	66,620,315	66,620,000	(315)	48,709,730	534,473	16	(12,869,068)	2	09/19/2012	03/16/2015		
Lake Silver ES Comp	18,006,348	(2,636,791)	15,369,557	15,348,853	(20,704)	10,840,153	104,252	2	(3,250,000)	1	09/24/2013	07/14/2014		
Waterford ES Comp	14,942,364	(1,121,372)	13,820,992	13,819,862	(1,130)	9,994,354	(32,982)	5	(2,620,000)	2	09/04/2013	06/30/2014		
Sub Total	161,156,811	7,459,292	168,616,103	167,505,696	(1,110,407)	121,612,386	594,634	24	(29,345,512)	9				
CLOSE OUT PHASE														
University HS Comp	26,829,734	13,277,219	40,106,953	39,571,169	(535,784)	28,830,520	2,376,738	28	(7,796,018)	5	02/18/2010	04/13/2012		757
Sub Total	26,829,734	13,277,219	40,106,953	39,571,169	(535,784)	28,830,520	2,376,738	28	(7,796,018)	5				
Grand Total	236,930,412	29,616,889	266,547,301	264,901,110	(1,646,191)	150,442,906	2,971,372	52	(37,141,529)	14				

Footnotes

F1 - Reflects figure from the 10yr Capital Budget dated September 12, 2006.

F2 - Reflects changes to initial cost projection.

F3 - Figure comprised of prior year expenditures, current and future planned funding (Summary Budget 2012-2013). There are no land costs included.

F4 - Reflects total number of change orders and cumulative change order amount. Does not include OCIP and ODP deductive and reconciliation change orders.

F5 - Reflects the total amount and number of OCIP and ODP deductive and reconciliation change orders to date.

F6 - Reflects number of days beyond substantial completion. See justification below under Close Out Delays.

F7 - Report reflects approved changes as of the date reflected.

Change Orders / Construction Change Directives

University HS CO#22 in the amount of \$276,630.00 - Emergency lighting: add new emergency lighting in service area, replace existing emergency lights in exterior corridors and place courtyard lights on a new UPS system

Westridge MS - Phase II is \$1.5M of the \$31M reflected.

Close Out

Awaiting Audit: Aloma ES, Arbor Ridge K-8, Brookshire ES, Lancaster ES

Submitted for Audit: Cypress Springs ES, Princeton ES, Winegard ES, Zellwood ES

Close Out Delays: University HS - Nonconforming work in place.



PROJECT STATUS SUMMARY REPORT

NEW AND REPLACEMENT SCHOOLS

05/10/2014 F7

School Name	F1 Original 2006 Board Adopted Budget	F2 Adopted Budget Changes	F3 Current Board Adopted Budget	Estimated Cost At Completion	Variance	GMP Amount	F4 Construction Change Orders		F5 OCIP & ODP Change Orders		Approved Construction		F6 # of Days Past Substantial Completion (close-out)	
							Amount	#	Deducts	#	NTP Construct.	Contract Subst. Com	Projected Completion	
	Budget										Schedule			
PLANNING PHASE														
21-M-E-2 (Avalon Park Area MS)	48,756,030	(13,061,380)	35,694,650	35,694,650	-									
Sub Total	48,756,030	(13,061,380)	35,694,650	35,694,650	-	-	-	-						
DESIGN PHASE														
Clay Springs ES Replacement	4,421,720	13,500,280	17,922,000	17,922,000	-									
41-E-SE-2 (Eagle Creek ES)	24,586,240	(8,269,468)	16,316,772	16,316,772	-									
63-E-W-4 (Independence ES)	34,595,309	(18,268,328)	16,326,981	16,326,981	-									
Lake Weston ES Replacement	13,417,633	2,263,087	15,680,720	15,680,720	-									
Lovell ES Replacement	14,942,364	1,022,636	15,965,000	15,965,000	-									
2-K8-E-1 (Wedgfield K-8)	38,201,625	(5,232,767)	32,968,858	32,968,858	-									
Sub Total	130,164,891	(14,984,559)	115,180,332	115,180,332	-	-	-	-						
CONSTRUCTION PHASE														
John Young ES Replacement HARDBID	5,184,086	10,028,415	15,212,501	14,096,482	(1,116,019)	10,053,000	221,769	5	(3,150,000)	2	08/21/2013	07/14/2014		
Little River ES Replacement	4,792,012	9,135,958	13,927,970	13,923,125	(4,845)	9,835,426	121,608	4	(2,500,000)	1	08/08/2013	06/30/2014		
Ocoee ES Replacement HARDBID	9,874,449	5,079,249	14,953,698	14,546,386	(407,312)	10,723,596	170,257	3	(2,818,675)	3	08/08/2013	07/14/2014		
Pineloch ES Replacement HARDBID	14,332,472	886,221	15,218,693	14,772,326	(446,367)	10,738,647	104,424	3	(2,747,906)	3	08/08/2013	07/07/2014		
Shingle Creek ES Replacement HARDBID	6,824,987	10,176,843	17,001,830	15,073,392	(1,928,438)	9,627,000	265,146	7	(3,150,000)	2	08/21/2013	07/14/2014		
Spring Lake ES Replacement	12,807,741	2,049,169	14,856,910	14,854,121	(2,789)	11,267,748	-	-	(2,378,466)	3	08/05/2013	06/30/2014		
Washington Shores ES Replacement	17,650,668	(2,868,782)	14,781,886	14,830,795	48,909	11,470,290	45,065	2	(3,400,000)	1	06/26/2013	06/30/2014		
Wheatley ES Replacement	29,137,610	(12,677,610)	16,460,000	16,179,798	(280,202)	12,436,428	(474,967)	4	(2,487,286)	1	11/14/2013	07/30/2014		
Sub Total	100,604,025	21,809,463	122,413,488	118,276,425	(4,137,063)	86,152,135	453,302	28	(22,632,333)	16				
CLOSE OUT PHASE														
Oak Ridge HS Replacement	82,715,136	(9,971,083)	72,744,053	70,086,000	(2,658,053)	54,470,939	929,182	24	(18,182,227)	9	09/09/2010	10/23/2013	199	
Sub Total	82,715,136	(9,971,083)	72,744,053	70,086,000	(2,658,053)	54,470,939	929,182	24	(18,182,227)	9				
Grand Total	362,240,082	(16,207,559)	346,032,523	339,237,407	(6,795,116)	140,623,074	1,382,485	52	(40,814,560)	25				

Footnotes

F1 - Reflects figure from the 10yr Capital Budget dated September 12, 2006. * With the exception of 21-M-E-2 (Avalon PK Area) and 2-M-E-1 (Wedgfield) - 10 yr Capital Budget dated September 9, 2008

F2 - Reflects changes to initial cost projection.

F3 - Figure comprised of prior year expenditures, current and future planned funding (Summary Budget 2012-2013). There are no land costs included.

F4 - Reflects total number of change orders and cumulative change order amount. Does not include OCIP and ODP deductive and reconciliation change orders.

F5 - Reflects the total amount and number of OCIP and ODP deductive and reconciliation change orders to date.

F6 - Reflects number of days beyond substantial completion. See justification below under Close Out Delays.

F7 - Report reflects approved changes as of the date reflected.

Change Orders / Construction Change Directives

Oak Ridge HS - CCD#5 for \$694,871 - Completion of Phase III per Board approved design modification and CO#21 for \$479,024 - Building 300 has experienced excessive settlement requiring remedial work to correct deficiency

Close Out

Awaiting Audit: Hackney Prairie ES, SunBlaze ES, Eccleston ES

Submitted for Audit: Evans HS, Rock Springs ES

Close Out Delays:



Orange County Public Schools

445 West Amelia Street • Orlando, FL 32801-1129 • Phone 407.317.3200 • www.ocps.net

Facilities & Construction Contracting Location: 6501 Magic Way, Building 100B • Orlando, FL 32809 • 407-317-3791

{Date}

{Contact Person's Name}
Company Name and Address

VIA FACSIMILE:
{(xxx) xxx-xxxx}

RE: NOTICE OF COMMENCEMENT / NOTICE TO PROCEED

{School Name}
{Project Type} - {Project #}
{Type of Service}: {Scope}
{Document No.}

Purchase Order #: _____

Dear {Mr/Ms Last Name}:

This Notice, dated the _____ day of {Month} {Year}, hereby authorizes you to proceed with the Scope of Work indicated in the {Document Type} referenced above. In accordance with the {Document Type}, the Substantial Completion date is established as {Date}. You will perform all of the work in a workman like manner and to the satisfaction of Orange County Public Schools.

In accordance with the Agreement, please include the School Name, Project Number, and Purchase Order Number referenced above in your application for payment.

The {Document Type} has been fully executed and will be transmitted to you via U.S. Mail.

Sincerely,

Roberto J. Pacheco
Director, Facilities & Construction Contracting

John T. Morris
Chief Facilities Officer

Cc: {Project Manager}
Dave Young

"The Orange County School Board is an equal opportunity agency."

[illegible]