



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

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

**Cypress Park (Sally Ride) Elementary School -  
Comprehensive Needs Project**

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

**Cypress Park (Sally Ride) Elementary School – Comprehensive Needs Project**

The School Board of Orange County, Florida  
Orlando, Florida

We have performed the procedures enumerated below, which were agreed to by The School Board of Orange County, Florida (“OCPS” or the “District” and the “specified party”), solely to assist you in certifying the final contract value to Charles Perry Partners, Inc. (the “Construction Manager” and the “responsible party”), based upon the total costs of construction and final contract value, as presented by the Construction Manager, for the Cypress Park (Sally Ride) Elementary School – Comprehensive Needs Project (the “Project”). The sufficiency of these procedures is solely the responsibility of the specified party. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures applied and the related findings are as follows:

PROCEDURES	RESULTS
<p>1. Inspect a copy of the Agreement (the “Agreement”), dated June 28, 2016, between The School Board of Orange County, Florida (“OCPS”) and Charles Perry Partners, Inc. (the “Construction Manager”) and the Amendment No. 3, dated July 11, 2017 (collectively referred to as the “contract documents”), relative to the construction of Cypress Park (Sally Ride) Elementary School – Comprehensive Needs Project (the “Project”).</p>	<p>○ The contract documents were inspected by Carr, Riggs &amp; Ingram, LLC (“CRI”) without exception.</p>
<p>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.</p>	<p>○ 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.</p>

PROCEDURES	RESULTS
<p>3. Inquire of the Construction Manager as to whether there are any disputes between the Construction Manager and its subcontractors.</p>	<ul style="list-style-type: none"> <li>○ Per inquiry of the Construction Manager, all disputes with subcontractors have been resolved. The Construction Manager provided, as part of the reconciliation in 6. below, a total amount of costs not reimbursable to the Project, which included \$117,010 of subcontractor costs related to default or repair/rework, as reported in Exhibit A.</li> </ul>
<p>4. Obtain from the Construction Manager, a copy of the final job cost detail, dated March 31, 2020 (the “final job cost detail”).</p>	<ul style="list-style-type: none"> <li>○ Obtained the final job cost detail without exception. CRI noted \$865,687 of general conditions included in the final job cost detail provided, and this amount was removed as reported in Exhibit A.</li> </ul>
<p>5. Obtain from the Construction Manager and OCPS, a copy of the final payment application request issued to OCPS, dated October 31, 2019 (“final pay application”).</p>	<ul style="list-style-type: none"> <li>○ Obtained the final pay application without exception.</li> </ul>
<p>6. Obtain from the Construction Manager a reconciliation between the final job cost detail and the final pay application.</p>	<ul style="list-style-type: none"> <li>○ Obtained the Construction Manager's reconciliation without exception.</li> </ul>
<p>7. From the final job cost detail, select all subcontractors with total costs in excess of \$50,000 and perform the following:</p> <ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>○ Selected 27 subcontractors with total costs in excess of \$50,000.</li> <li>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.</li> <li>b. Obtained supporting documentation for the subcontractor change orders without exception. Additionally, compared the change order amounts to the supporting documentation without exception.</li> </ul>

PROCEDURES	RESULTS
<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, or a sample of cancelled checks (at least 30) for payments made by the Construction Manager to the selected subcontractor (“payment documentation”). Compare the final subcontract amount to the final job cost detail to the payment documentation.</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>c. Obtained payment documentation and compared to the final subcontract amount without exception.</p> <p>d. Obtained the listing of ODPs from the District and compared the amount to the sum of the deductive ODP change orders for each of the selected subcontractors with the following exception. The owner direct purchase deductive change order was not issued to the landscaping subcontractor on this Project. The \$5,942 credit was removed 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 No non-subcontractor line items exceeding \$50,000 were 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 paid directly to a third party. Compare the documentation obtained to the amounts recorded in the final job cost detail.</p>	<p>o Selected all amounts for payment and performance bond costs. No builder's risk insurance costs were noted in the final job cost detail.</p> <p>a. Obtained a copy of the invoice from a third party and a cancelled check relative to the charges for the payment and performance bond. Compared the documentation to the amount recorded in the final job cost detail without exception.</p>

PROCEDURES	RESULTS
<p>11. From the final job cost detail, select amounts for general liability insurance and worker's compensation insurance and perform the following:</p> <p>a. Where applicable, obtain the Construction Manager's internal allocation for general liability insurance charges and worker's compensation insurance charges.</p> <p>b. If applicable, recalculate the Construction Manager's internal allocations and compare the recalculation to the amounts in the final job cost detail.</p>	<p>a. Obtained a letter from the Construction Manager's insurance provider stating the rate to be applied to the contract value for the general liability coverage. This letter noted the charges on the final job cost detail required a reduction, as recalculated by CRI, in the amount of \$20,861, as reported in Exhibit A.</p> <p>Obtained a letter from the Construction Manager's insurance provider stating the rate to be applied to the labor value for the worker's compensation insurance coverage. CRI also obtained the worker's compensation insurance rate sheet and noted the modifiers, totaling a 30% reduction of the rates, had not been applied. Additionally, the worker's compensation insurance rate sheet for the Construction Manager's partner on the Project was obtained and the charges recalculated. The total adjustment, of \$6,433 is reported in Exhibit A.</p> <p>b. Recalculated the Construction Manager's general liability charges and compared the recalculated amount to the amount in the final job cost detail, and noted the difference listed in the results of 11.a. above.</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. The Construction Manager used Contractor Computer and Equipment Leasing, LLC as a related party on the Project.</p>
<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. CRI observed \$38,813 of Contractor Computer and Equipment Leasing, LLC related party charges in the final job cost detail.</p> <p>b. No evidence of prior written approval was provided by the Construction Manager, but Contractor Computer and Equipment Leasing, LLC was approved during the GMP review process by OCPS.</p>

PROCEDURES	RESULTS
<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> <ul style="list-style-type: none"> <li>a. Obtain vendor invoices and Construction Manager calculations for internal charge rates.</li> <li>b. Compare the internal charge rates recorded in the final job cost detail to the supporting documentation obtained in 14.a. above.</li> </ul>	<ul style="list-style-type: none"> <li>o Selected 6 internal charge transactions from the final job cost detail.</li> <li>a. Obtained vendor invoices and allocation calculations for the computer and vehicle rental charges without exception.</li> <li>b. Compared the documentation obtained in 14.a. to the amounts in the final job cost detail without exception.</li> </ul>
<p>15. 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>o Obtained the NTP and identified costs in the final job cost detail prior to the NTP date. CRI inquired with the Construction Manager and determined the costs were due to preconstruction. The total preconstruction amounts of \$39,754 were removed from the final job cost detail, as reported in Exhibit A.</li> </ul>
<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 an invoice and cancelled checks for the subguard charges found in the final job cost detail, if paid to a third party.</li> <li>c. 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 the Construction Manager, a subguard program was utilized for this Project.</li> <li>a. Inspected the final job cost detail and subcontractor change orders for all selected subcontractors for the inclusion of bond costs and found none. Additionally, CRI observed the subcontract agreements for all selected subcontractors and noted the subcontract agreements stated this was a subguarded project and, therefore, no bond costs were to be included in the subcontractor's costs.</li> <li>b. Obtained a letter from the Construction Manager's insurance provider stating the rate to be applied to subcontractor value for the subguard coverage and verified the rate was utilized in the final job cost detail calculations, without exception.</li> <li>c. Obtained written representation from the Construction Manager that subcontractors enrolled in the subguard program 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 signed and executed change orders between OCPS and the Construction Manager without exception.</li> </ul>

PROCEDURES	RESULTS
<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>a. Obtained the ODP log from OCPS without exception. CRI recalculated the percentage of the total ODPs plus sales tax savings, per the ODP log, as a percentage of the original contract value (including ODPs).</p> <p>b. The results from the recalculation in 18.a. above indicated that the Construction Manager did not achieve the goal of 25%. The Construction Manager returned missed sales tax savings in the final owner change order.</p>
<p>19. Compare the ODP log plus tax savings amount obtained in 18. above, to the total signed and executed change orders amounts obtained in 17. above relative to ODPs.</p>	<p>o Compared the ODPs plus tax savings per the ODP log to the total signed and executed 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>o Compared the not-to-exceed general requirements per the contract documents with the actual general requirements charged in the final job cost detail. A total of \$50,581 of general requirements costs, in excess of the not-to-exceed amount, were removed as 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.</p>	<p>a. Obtained the original GMP amount without exception.</p> <p>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".</p>
<p>22. Obtain the final contract value, per the final pay application (noted in 5. above) and compare it to the adjusted GMP amount calculated in 21.b. above.</p>	<p>o Compared the adjusted guaranteed maximum price to the final contract value, per the final pay application, without exception.</p>

PROCEDURES	RESULTS
<p>23. 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 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 calculation of the Construction Management fee and the lump sum general conditions have been added to the adjusted final job costs, resulting in the final construction costs as reported in Exhibit A.</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>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 Earnings Register Report for each of the items selected.</li> <li>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 7 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 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>	<ul style="list-style-type: none"> <li>o Obtained the Project's contingency log and usage documents and observed that all the contingency usage forms evidenced approval of an OCPS designated representative.</li> </ul>



PROCEDURES	RESULTS
26. Compare the ending balances in the contingency funds, per the contingency logs obtained in 25. above, to the change order amount of the funds returning to OCPS, as obtained in 17. above.	○ 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 another OCPS project without exception.
28. Obtain the Certificates 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.	○ The final completion date, as reported on the Certificate of Final Inspection, indicated the Construction Manager achieved final completion 171 days after the contractually required date. Final completion is to be achieved within 120 days after the date of substantial completion, which for this Project was February 12, 2019. The Certificate of Final Inspection was signed by the Architect on August 2, 2019.
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 and noted costs occurred after the final inspection date. CRI inquired with the Construction Manager and determined the costs relate to the close out and warranty phases of the project. All of the warranty phase costs were removed as part of the general requirements overage noted in 20. above.
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.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not, conduct an examination or review, the objective of which would be the expression of an opinion or conclusion on the final construction costs and final contract value. 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.

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.

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

Orlando, Florida  
June 18, 2021

**The School Board of Orange County, Florida  
Cypress Park (Sally Ride) Elementary School -  
Comprehensive Needs Project**

**Exhibit A – Project Costs**

**Calculation of the final construction costs**

Calculation of adjusted final job costs:	
Construction Manager job costs	\$ 11,713,498
Remove non-reimbursable subcontractor costs	(117,010)
Remove general conditions costs from the final job cost detail	(865,687)
Adjustment for missing owner direct purchase subcontractor change order	(5,942)
Adjustment to insurance costs allocation	(20,861)
Reduce worker's compensation insurance charges to actual costs	(6,433)
Remove preconstruction costs from the final job cost detail	(39,754)
Adjustment to reflect general requirements at the not-to-exceed amount	(50,581)
Adjusted final job costs	10,607,230
Calculation of the lump sum general conditions:	
Original general conditions from Amendment #3	810,711
Additional general conditions from Owner change order #4	20,077
	830,788
Calculation of the construction management fee:	
Original construction management fee from Amendment #3	649,523
Additional construction management fee from Owner change order #7	259
Reduction of construction management fee from Owner change order #7 - reimbursement of unallowable charges and missed sales tax	(16,886)
	632,896
<b>Final construction costs</b>	<b>\$ 12,070,914</b>

**Calculation of adjusted guaranteed maximum price**

Original guaranteed maximum price per Amendment #3	\$ 15,663,493
Adjustments from change orders	(3,587,692)
	<b>\$ 12,075,801</b>
<b>Construction costs, lesser of final construction costs and adjusted guaranteed maximum price</b>	<b>\$ 12,070,914</b>
<b>Owner direct purchases</b>	<b>3,399,072</b>
	<b>\$ 15,469,986</b>