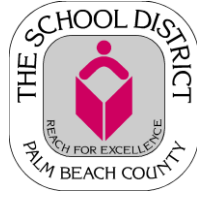


**Follow-up Audit of
Fees Paid to Construction Managers**

June 11, 2015

Report #2015-07



MISSION STATEMENT

The School Board of Palm Beach County is committed to providing a world class education with excellence and equity to empower each student to reach his or her highest potential with the most effective staff to foster the knowledge, skills, and ethics required for responsible citizenship and productive careers.

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Superintendent of Schools

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**Follow-up Audit of
Fees Paid to Construction Managers
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Follow-up Audit of
Fees Paid to Construction Managers
Executive Summary

Pursuant to the *Office of Inspector General's 2014-2015 Work Plan*, we have performed a follow-up audit of Fees Paid to Construction Managers. A prior *Audit of Two Construction Projects*, issued by our Office in May 2011, reported several deficiencies in the administration of Construction Management (CM) at Risk projects. The primary objective of this follow-up audit was to test implementation of certain corrective actions to determine if previously reported deficiencies have been adequately addressed, or if they continue to exist.

1. Some Corrective Action Plans Not Completed; Some Previously Reported Deficiencies Not Adequately Addressed and Continue to Exist

1.A. Policies and Procedures Need to be Finalized and Formally Adopted

In response to our *2011 Audit of Two Construction Projects*, the Program Management Department indicated that a *Construction Manager Pay Application Review Procedure* has been prepared to address the audit comment. Although we found the Division of Support Operations and Program Management have drafted some informal written procedures, those procedures were not officially adopted. Lack of formal written procedures decreases the District's ability to effectively review pay applications, increases the risk of errors occurring, and lessens accountability.

Additionally, we noted that *Section 4.2(3)* of *State Requirements for Educational Facilities (SREF)* states, "Each Board shall adopt policies and procedures to be followed for all construction contracts and for making payments to the contractor..." However, the School District does not have a policy for making payments to contractors, as required by SREF.

Management's Response: *Management concurs that the Construction Manager Pay Application Review Procedure put in place immediately following the 2011 audit should be formally approved and adopted. The current procedure has been reviewed ..., and is now posted on the Division of Support Operations SharePoint site, to be used by all employees involved with the Construction Manager Pay Application Review process.*

Management concurs the District needs to develop a policy for making payments to contractors, as is required by SREF Section 4.2(3). Board review and adoption of the new policy is projected for completion by December 2015. (Please see page 7 for the full Management Response.)

1.B. Contract Definitions of General Requirements and General Conditions Need Clarification

Our *2011 Audit of Two Construction Projects* recommended that standard contract language be amended to clearly define the distinction between General Conditions and General Requirements and their intended payment terms.

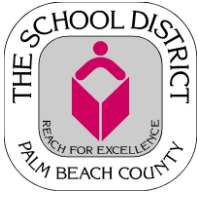
However, our review of the current CM at Risk Agreement template revealed that the Agreement has not been amended to clarify the definitions and payment terms for General Requirements and General Conditions. As a result, previously reported deficiencies, such as overpayments for General Conditions, are not being adequately addressed and are at risk of reoccurring.

***Management's Response:** Management concurs. Revisions to the Construction Manager at Risk document utilized by the District are now in development. The contract changes will be implemented on or before August 30, 2015. (Please see page 7 for the full Management Response.)*

2. The Revised Schedule of Values Form was Not Submitted to the Reports and Forms Review Committee for Review as Required

The follow-up audit found that multiple versions of the Schedule of Values form were utilized by staff, and the most current version of the form being utilized has not been submitted to the Reports and Forms Review Committee for review as required by *School Board Policy 2.341* and the District's *Forms Management Manual*.

***Management's Response:** Management concurs that forms in use must be approved by the Reports and Forms Review Committee, per Board Policy 2.341. Anticipated completion date is May 15, 2015. (Please see page 8 for the full Management Response.)*



THE SCHOOL DISTRICT OF
PALM BEACH COUNTY, FLORIDA

OFFICE OF INSPECTOR GENERAL
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LUNG CHIU, CPA
INSPECTOR GENERAL

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E. WAYNE GENT, SUPERINTENDENT

MEMORANDUM

TO: Honorable Chair and Members of the School Board
E. Wayne Gent, Superintendent of Schools
Chair and Members of the Audit Committee

FROM: Lung Chiu, CPA, Inspector General

DATE: June 11, 2015

SUBJECT: Follow-up Audit of Fees Paid to Construction Managers

PURPOSE AND AUTHORITY

Pursuant to the *Office of Inspector General's 2014-2015 Work Plan*, we have performed a Follow-Up Audit of Fees Paid to Construction Managers. A prior *Audit of Two Construction Projects*, issued by our Office in May 2011, reported several deficiencies in the administration of Construction Management (CM) at Risk projects; particularly with the review and processing of payment applications and fees paid to construction managers.

The primary objective of this follow-up audit was to determine the extent of implementation of corrective actions to address previously reported deficiencies. More specifically, we determined (1) whether certain Construction Manager fees (Overhead & Profit, General Conditions and Construction Phase Fees) were paid in accordance with the contract terms, and (2) whether District staff properly enforced applicable terms and conditions of the contracts.

SCOPE AND METHODOLOGY

The audit was conducted in accordance with *Generally Accepted Government Auditing Standards (GAGAS)*. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

The scope of this follow-up audit included a review of the following eight completed CM at Risk projects:

<u>Project</u>	<u>Budget</u>
Crestwood Middle Addition	\$14,697,942
Everglades Elementary	\$25,778,116
Galaxy Elementary Modernization	\$29,650,055
Gove Elementary Modernization	\$38,416,148
Manatee Elementary Addition	\$14,484,357
Northboro Elementary Modernization	\$33,409,133
Palm Beach Lakes High Addition & Academy	\$14,109,847
Seminole Trails Elementary Addition	\$13,964,012

We reviewed the CM at Risk Agreements and related documents including:

- Guaranteed Maximum Prices
- Professional Services Agreements
- Notices to Proceed
- Schedules of Values
- Applications for Payment, and Project Invoices

We also reviewed

- Applicable laws and regulations;
- State Requirements for Educational Facilities (SREF);
- Applicable Policies and Procedures;
- Applicable forms and management reports associated with payment; request/approvals; and,
- Interviewed of staff.

Draft audit findings were sent to the Division of Support Operations for review and comments. Management's responses are included in Appendix A. We appreciate the courtesy and cooperation extended to us by District staff during the audit. The final draft report was presented to the Audit Committee at its June 11, 2015 meeting.

BACKGROUND

The Division of Support Operations includes the Program Management Department and the Building Code Services Department (BCS). Program Management oversees the construction of new schools, as well as the renovations, remodeling, and other capital improvements of existing schools and facilities. Building Code Services reviews construction plans and specifications to ensure building and fire code compliance. Within BCS is the Office of Project Controls which

monitors project status to ensure work is performed within the boundaries of cost, completion, schedule and scope that was approved by the School Board.

The CM at Risk Agreement is a *cost-plus-fee* contract with a not-to-exceed Guaranteed Maximum Price. The amount of CM fees, including Overhead and Profit, General Conditions, and Construction Phase Fees are negotiated, contractually agreed upon, and defined in Article 8 and Article 9 of the CM at Risk Agreement (See Appendix B). Overhead and Profit relates to the Construction Manager's general operating expenses, the Construction Phase Fee relates to salaries and benefits of the CM's employees at the job site, and General Conditions are for cost items related to the CM's field staff such as office facilities and supplies. The calculation of monthly billable fee amounts for General Conditions and Overhead and Profit are based proportionately to ratio of the cost of work in place, while Construction Phase Fees are to be paid in equal monthly payments.

On July 19, 2012, our Office requested an update from management regarding the status of corrective actions taken to address deficiencies identified in our prior 2011 *Audit of Two Construction Projects*. Management submitted the requested status update to our Office on October 7, 2012, and indicated that the reported deficiencies were either corrected, or would be corrected by September 30, 2013. During this review, we tested the adequacy and effectiveness of some of the corrective actions taken.

CONCLUSIONS

1. **Some Corrective Action Plans Not Completed; Some Previously Reported Deficiencies Not Adequately Addressed and Continue to Exist**

A review and verification of management responses to the recommendations made in the 2011 *Audit of Two Construction Projects*, indicated that some previously reported deficiencies were not adequately addressed by staff, as detailed below:

1.A. Policies and Procedures Need to be Finalized and Formally Adopted

The 2011 *Audit of Two Construction Projects* recommended that formal written operating procedures be developed to provide the framework for employees to carry out their duties, and establish accountability for the pay application approval process.

In response to the 2012 Audit Report, Program Management stated:

“A newly created Construction Manager Pay Application Review Procedure and Construction Manager Pay Application Review Checklist have already been prepared to address the auditor's comment that Program Management does not have a formal process for pay applications. The procedure and checklist define

the Architect, Projects Coordinator and SPA responsibilities in reviewing pay applications and addresses all of the concerns raised by the auditor and recommended by management.”

Although we found the Division of Support Operations and Program Management have drafted some informal written procedures, those procedures were not officially adopted.

Additionally, we noted that **Section 4.2(3)** of **State Requirements for Educational Facilities (SREF)** states, “*Each Board shall adopt policies and procedures to be followed for all construction contracts and for making payments to the contractor...*” The School Board has adopted three (3) construction related policies as follows:

- **Policy 7.22 Construction Change Orders,**
- **Policy 7.225 Use of Contingency Funds for Construction Projects,** and
- **Policy 7.23 Retainage Withheld on Construction Contracts;**

However, the School District does not have a policy for making payments to contractors, as required by SREF. Lack of policies and procedures can result in inconsistencies and oversights during the construction manager’s pay application review and approval process.

Recommendations

The Division of Support Operations should initiate the creation and development of a School Board policy that adequately addresses the requirements of **SREF 4.2(3)**. Also, Program Management should finalize and formally adopt operating procedures requiring staff to verify and approve specific items in pay applications, including the calculation of CM fees. This will increase the District’s ability to effectively review pay applications, decrease the risk of errors occurring, and help ensure accountability.

Management’s Response: *Management concurs that the Construction Manager Pay Application Review Procedure put in place immediately following the 2011 audit should be formally approved and adopted. The current procedure has been reviewed ..., and is now posted on the Division of Support Operations SharePoint site, to be used by all employees involved with the Construction Manager Pay Application Review process.*

Management concurs the District needs to develop a policy for making payments to contractors, as is required by SREF Section 4.2(3). Board review and adoption of the new policy is projected for completion by December 2015. (Please see page 7 for the full Management Response.)

1.B. Contract Definitions of General Requirements and General Conditions Need Clarification

Our prior 2011 *Audit of Two Construction Projects* recommended that standard contract language be amended to clearly define the distinction between General Conditions and General Requirements and their intended payment terms.

In response to our July 2012, Status Update Request on management's planned corrective actions to address the prior audit finding, Program Management stated:

“The Basic Definitions Section (Article 1) of the General Conditions of the Construction Management at Risk contract has been amended for future projects to include a definition for General Requirements and General Conditions. Those definitions not only include a definition for each term, but also include...the method in which General Conditions and General Requirements shall be paid to the Construction Manager.”

However, our review of the current CM at Risk Agreement template being utilized revealed that the Basic Definitions Section (Article 1) of the Supplementary General Conditions section of Agreement has not been amended to clarify the definitions and payment terms for General Requirements and General Conditions.

As a result, previously reported deficiencies, such as overpayments for General Conditions, are not being adequately addressed and are at risk of reoccurring.

Recommendation

As we stated in our prior audit recommendation, which was agreed to by staff, the standard contract language should be amended to clearly define the distinction between General Conditions and General Requirements and their intended payment terms. Clear definitions will help to ensure that accurate amounts are invoiced and paid.

***Management's Response:** Management concurs. Revisions to the Construction Manager at Risk document utilized by the District are now in development. The contract changes will be implemented on or before August 30, 2015. (Please see page 7 for the full Management Response.)*

2. The Revised Schedule of Values Form was Not Submitted to the Reports and Forms Review Committee for Review as Required

Our review of projects found that multiple versions of the Schedule of Values form (Form *PBSD 2349*) were utilized by staff, and the most current version of the form being utilized has not been submitted to the Reports and Forms Review Committee for review as required by *School Board Policy 2.341* and the District's *Forms Management Manual*.

School Board Policy 2.34 - Reports and Forms Authorization requires that “*Before printing or distributing an existing, new, revised or consolidated form for use in the district, the originating office must submit such form to the Reports and Forms Review Committee for review and inclusion in the Official Forms Index in accordance with the procedures set forth in the Forms Management Handbook.*”

The *Forms Management Manual* states: “*The Official Forms Index will be the only resource used by the District to insure the correct form is ordered, printed, and stocked. Therefore, it is extremely important that the index remain up-to-date. All revisions to the index must be sent by the department responsible for the form to the Forms Analyst.*”

Additionally, we noted that this form is not retrievable on the District’s Official “Forms” index (See Appendix C). We were able to locate a version of the Schedule of Values form linked to an indexed form entitled *PBSD 2354 Application and Certificate for Payment*; however, the link yields a SOV form which is not the most current version being utilized by staff (See Appendix D).

Using unauthorized and varying versions of SOV forms does not allow for efficient and effective review of pay applications and for verifying compliance with specific contract requirements, thus increasing the risk of inaccurate payment amounts to CM firms.

Recommendations

We recommend Program Management submit its most current version of the Schedule of Values form to the *Reports and Forms Review Committee* for review, as required by ***School Board Policy 2.341***.

We further recommend Program Management and Project Controls ensure that only the most current version of the Schedule of Values form is used during the preliminary SOV, and pay application review and approval process.

Management’s Response: *Management concurs that forms in use must be approved by the Reports and Forms Review Committee, per Board Policy 2.341. Anticipated completion date is May 15, 2015. (Please see page 8 for the full Management Response.)*

– End of Report –



THE SCHOOL DISTRICT OF
PALM BEACH COUNTY, FL

MICHAEL J. BURKE
CHIEF OPERATING OFFICER

E. WAYNE GENT
SUPERINTENDENT

CHIEF OPERATING OFFICE
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WWW.PALMBEACHSCHOOLS.ORG/COO

TO: Lung Chiu
Inspector General

FROM: Michael J. Burke *MJB*
Chief Operating Officer

DATE: May 1, 2015

SUBJECT: MANAGEMENT RESPONSE TO FOLLOW-UP AUDIT OF FEES PAID TO
CONSTRUCTION MANAGERS

RECEIVED
MAY - 1 2015
INSPECTOR GENERAL

Management's response to your memo dated April 27, 2015 - Follow-up Audit of Fees Paid to Construction Managers is provided below:

1. Some Corrective Action Plans Not Completed; Some Previously Reported Deficiencies Not Adequately Addressed and Continue to Exist

1.A. Policies and Procedures Need to be Finalized and Formally Adopted

Management concurs that the Construction Manager Pay Application Review Procedure put in place immediately following the 2011 audit should be formally approved and adopted. The current procedure has been reviewed by the Project Controls Department, Office of the General Counsel, and the Chief of the Division of Support Operations, and is now posted on the Division of Support Operations SharePoint site, to be used by all employees involved with the Construction Manager Pay Application Review process.

Management concurs the District needs to develop a policy for making payments to contractors, as required by SREF Section 4.2(3). Staff overlooked the completion of this task since the original audit. A first draft has now been created, which will run through the recently implemented policy review and adoption process. Board review and adoption of the new policy is projected for completion by December 2015.

1.B. Contract Definitions of General Requirements and General Conditions Need Clarification

Management concurs the CM at Risk Agreement template should be amended to clearly define the definitions and payment terms for General Conditions and General Requirements. Due to staff turnover following the 2011 audit, this task had not yet been completed. Revisions to the Construction Manager at Risk document utilized by the District are now in development. Following approval by Purchasing and the Office of General Counsel, the contract changes will be implemented on or before August 30, 2015.

Page 2 of 2

May 1, 2015

MEMORANDUM – MANAGEMENT RESPONSE TO FOLLOW-UP AUDIT OF FEES PAID TO CONSTRUCTION MANAGERS

2. The Revised Schedule of Values Form was Not Submitted to the Reports and Forms Review Committee for Review as Required.

Management concurs that forms in use must be approved by the Reports and Forms Review Committee, per Board Policy 2.341. Following the 2011 audit, all major projects began utilizing the same spreadsheet, listed on the District forms page (<http://palmbeachschools.org/forms/index.asp>) as Form 2354, "Application and Certification for Payment", which replaced Form 2349. As it is a spreadsheet, the Forms Committee allowed access via a hot link from the forms search page. Form 2354 now needs to be revised to accurately reflect the document currently in use, which aligns with the new procedures noted in 1.A. Following the procedure prescribed to revise an existing form, (Forms Management Manual, Article 5.i.), staff has submitted an IT Work order to have the change implemented. Anticipated completion date is May 15, 2015.

If you should have any questions or require additional information, please do not hesitate to contact me at PX48584.

C: Steve Bonino, Chief of Support Operations
Jim Kunard, Director, Program Management
Tom Hogarth, Director, Building Code Services
Alan Gilbert, General Manager, Program Management

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An Equal Education Opportunity Provider and Employer

the actual price paid for the Work by the Owner shall be the actual cost of all Work subcontracts, supply contracts, direct labor costs, direct supervision costs and General Condition items, as defined under Article 9 herein, of the Project plus the Construction Managers Fees, less any Contingency balance, or the GMP, whichever is less, when the Work is complete.

7.2 The GMP will only include those taxes in the cost of the Project, which are legally enacted at the time the GMP is established.

7.3 The GMP shall include an agreed upon sum as the Owner's Construction Contingency. Use of the Owner's Construction Contingency by the Construction Manager must be authorized by the Owner. This authorization shall be requested by use of a Construction Contingency Change Authorization (CCCA). Funds shall be added to, or taken from, the Owner's Construction Contingency by use of a Construction Contingency Change Authorization.

7.4 As the Construction Manager executes each trade contract, if additional funds for a line item of Work are required above the amount specified in the GMP, the deficiency may be taken from the Owner's Construction Contingency. If funds required for a line item of Work are below the amount specified in the GMP the surplus shall be added to the Owner's Construction Contingency. If bids are not received at or below the applicable amount for a portion of the Work established for any line item in Division 1-16 of the GMP, the Construction Manager reserves the right to perform that portion of the Work or negotiate for its performance for the specified line item amount or less.

7.5 Prior to the authorization for use of the Owner's Construction Contingency the Construction Manager will be required to furnish documentation, approved by the architect-Engineer, justifying the expenditures that are requested to be funded from the Owner's Construction Contingency. The Construction Manager is also responsible for evidencing surpluses credited to the Owner's Construction Contingency. Adjustments to the Owner's Construction Contingency shall be displayed monthly in the PMIS.

7.6 When the Project is bid and 100% of the trade contracts have been executed, the Owner's Contingency within the GMP may be decreased in proportion to the percent of the Work completed. In other words, if 10% of the Work has been completed and the Owner requests that the Contingency within the GMP be adjusted, then 10% of the Contingency within the GMP will be removed from the GMP by Change Order.

7.7 At the time of submission of a Guaranteed Maximum Price, the Construction Manager shall verify the schedule for activities and Work which were adopted by the Construction Team and used to determine the Construction Manager's Cost of Work.

ARTICLE 8

CONSTRUCTION MANAGER'S FEE

8.1 In consideration of the performance of the contract, the Owner agrees to pay the Construction Manager as compensation for his services, fees as set forth in Paragraphs 8.1.1, 8.1.2 and 8.1.3 of this Agreement.

8.1.1 Pre-Construction Fee: For the performance of the services set forth under Article 2 of the Agreement as required by the Owner and for profit and overhead related to these services, the Owner will pay the Construction Manager a total Fee of **\$125,120.00** and Reimbursable Expenses not to exceed **\$40,000.00** as detailed on the Summary of Pre-Construction Services Fee (Exhibit C). The Pre-Construction Fee shall be paid based upon the completion of formal estimates at the phase of the project specified in Article 2.1.4 (a, b and c) of the

Agreement and the Solicitation of Bids specified in Article 2.2.5 of the Agreement. Reimbursable Expenses shall include costs necessarily incurred by the Construction Manager for advertising, out of office copying / reproductions and postage only. All costs for these expenses shall be included on the final For Payment for Pre-Construction Phase Services, accompanied by evidence of such expenses incurred.

00510-25

The Construction Manager's personnel to be assigned during Pre-Construction, their duties and responsibilities for this Project and the duration of their assignments are detailed on Exhibit C.

8.1.2 Construction Phase Fee: The Construction Manager shall commence the Construction Phase upon receipt of a Notice to Proceed from the Owner. The Construction Manager's compensation for work or services performed during the Construction Phase shall be detailed on the Summary of Construction Phase services Fee (Exhibit D). The Owner retains the right to review the need and effectiveness of any employee or employees assigned by the Construction Manager. The Construction Phase Fee shall be paid in equal monthly payments throughout the Project based upon the duration of construction specified in the Notice to Proceed.

The first monthly payment shall follow the issuance of the Notice to Proceed and the final monthly payment shall be paid only when construction of the project is fully and finally completed and occupancy of the project accepted by the Owner. If construction is authorized only for a part of the project, the fee paid shall be proportionate to the amount of work authorized by the Owner.

1. The following are included in the Construction Managers Fee for services during the Construction Phase:
 - (a) Salaries, benefits or other compensation of the Construction Manager's employees at the job site. The Construction Manager's personnel to be assigned to the site during the Construction Phase under the job site management and supervision fee, their duties and responsibilities and the duration of their assignment are shown on Exhibit D.
2. Adjustments in Fee: For changes in the Project as provided in Article 7 of Section 00700, General Conditions, which, excluding any negligent acts that may have been caused by the Construction Manager or it's Sub-contractors, extends or reduces the Final Completion date specified on the Construction Notice To Proceed, Construction Phase Service fees may be re-negotiated based upon the Per Diem rates per person established in Exhibit E.
3. Construction Managers Exclusive Remedy: In the event the construction Substantial or Final Completion date is extended, regardless of whether delay is caused by any act or neglect of the Owner or the Architect Engineer, or is attributable to the Owner or the Architect-Engineer, the Construction Manager's sole and exclusive remedy is an extension of the construction completion date.

8.1.3 Overhead and Profit for Construction Phase

For services provided during and related to the Construction Phase the percent (%) Overhead and Profit shall be based upon the total of the Total of Div. 2-16, Construction Phase Services Fee and General Conditions as specified in the GMP Summary and shall be paid proportionally to the ratio of the cost of the work in place, excluding stored materials and less retainage as described in Article 11 of this Agreement, as it bears on the latest estimate of the total Work cost or to the GMP or to the Owners Construction Budget, whichever is less. The balance of the Fee shall be paid upon Final completion. If Work is authorized only for a part of the project, the fee paid shall be proportionate to the amount of Work authorized by the Owner. The Construction Manager's exclusive remedy for any adjustments in the Overhead and Profit for Construction Phase is provided in Article 8.1.3 (2) of this Agreement.

1. Costs and expenses included in the Overhead and Profit for Construction Phase:
 - (1) General operating expenses related to this project of the Construction Manager's principal and branch offices.
 - (2) The costs of all data processing staff.
 - (3) General operating expenses incurred in the management and supervision of the project except as expressly included in Article 9.

00510-26

(4) Those services set forth in Article 2.3.12 of this Agreement (Job Site Requirements).

2. The Construction Manager will not be due any additional Overhead and Profit on the use of the Owner's Construction Contingency or increases in the Guaranteed Maximum Price (GMP) that do not exceed a cumulative total of five percent (5%) of the total of Divisions 1-16 specified in the GMP Summary (Exhibit B) for each Phase or for all Phases of Work. Under the terms of Article 7 of the General Conditions, should the cumulative total increase of Divisions 1-16 exceed five percent (5%) due to no fault of the Construction Manager, the Construction Manager's additional Overhead and Profit for that portion of the cumulative total of increases that exceeds five percent (5%) will be the same percent as the Overhead and Profit established in Article 8, Paragraph 8.1.3 of this Agreement.

ARTICLE 9

GENERAL CONDITIONS

The Owner agrees to pay the Construction Manager for General Conditions (Direct Cost Items Related to Field Staff) necessarily incurred in the Project during the Construction Phase for construction services and paid by the Construction Manager, which are not included in Divisions 1-16, Bonds and insurance or the Construction Phase Services Fee. Such General Condition items shall include only the items set forth in Paragraph 9.1 herein and the total payment for these items shall be the lump sum included on the GMP Summary (Exhibit B) as the General Conditions (Direct Cost Items Related to Field Staff). Such payment shall be paid proportionally to the ratio of the cost of work in place as it bears to Divisions 1-16 of the GMP. All other identifiable expense items and costs related to emergency conditions shall be itemized in Division 1 (General requirements) of the GMP Summary. Invoices submitted by the Construction Manager shall be submitted in sufficient detail for a proper pre-audit and post-audit thereof. Invoices for any travel expenses shall be submitted in accordance with Procedures specified in Section 112.061, Florida Statutes governing payments by the State for travel expenses.

9.1 General Condition Items

1. Cost including transportation and maintenance of all materials, supplies, equipment, temporary facilities including office facilities for Construction Manager and Owner' Representative.
2. Expenses at the site, such as telegrams, long distance telephone calls, telephone service, expressage, postage, and similar petty cash items in connection with the Project to be billed at cost.
3. Miscellaneous job office supplies, postage, courier service.
4. Costs for cleaning and maintenance, trash and debris control and removal from the site.
5. Costs of all reproductions required by the Project to directly benefit the Project.
6. The Construction Manager shall provide and maintain for the Owner a suitable temporary field office as described in Article 2, Paragraph 2.3.4 of this Agreement.

ARTICLE 10

DISCOUNTS AND PENALTIES

10.1 All discounts for prompt payment shall accrue to the Owner to the extent the Cost of the project is paid directly by the Owner or from a fund made available by the Owner to the Construction Manager for such payments. To the extent the Cost of the Project is paid with funds of the Construction Manager, all cash

00510-27

3/5/2015

Forms Search

District Form Search

Form Number

Form Name

Department

Key Word

Search Results for "2349"

Total Records Found : 1

Adobe Acrobat Reader or Adobe Acrobat Revised New

Form Name

Web PDF

1) PBSD 2349 Construction Schedule of Values Report

Form Status : New

Obtain from : Program Management

Last updated on : 1/15/2010

Translated : No

THE SCHOOL DISTRICT OF PALM BEACH COUNTY
Schedule of Values - SD703
 APPLICATION AND CERTIFICATE FOR PAYMENT, containing
 Contractors signed Certification is attached.
 In tabulations below, amounts are stated to the nearest dollar.

APPLICATION #:
 APPLICATION DATE:
 PERIOD FROM:
 TO:

DIV NO.	DESCRIPTION OF WORK	ORIGINAL SCHEDULED VALUE	INTERNAL CHANGE CCA	EXTERNAL CHANGE CCD	DIRECT PAYMENTS DPO	REVISED SCHEDULED VALUE	PREVIOUS APPLICATION	CURRENT APPLICATION		TOTAL COMPLETED & STORED TO DATE %	BALANCE TO FINISH (C-G)	TOTAL RETAINAGE %
								WORK IN PLACE (actual)	STORED MATLS			
1.00	GENERAL REQUIREMENTS		0.00			0.00	0.00	0.00	0.00	0.0%	0.00	0%
1.20			0.00			0.00	0.00	0.00	0.00	0.0%	0.00	0%
1.3			0.00			0.00	0.00	0.00	0.00	0.0%	0.00	10%
	SUB TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0%	0.00	0.00
2.00	SITE CONSTRUCTION -											
2.10	Buyout/surplus-Re-route to Contingency-Use Log		0.00			0.00	0.00	0.00	0.00	0.0%	0.00	10%
2.20			0.00			0.00	0.00	0.00	0.00	0.0%	0.00	10%
2.30			0.00			0.00	0.00	0.00	0.00	0.0%	0.00	10%
2.40			0.00			0.00	0.00	0.00	0.00	0.0%	0.00	10%
2.45			0.00			0.00	0.00	0.00	0.00	0.0%	0.00	10%
2.60			0.00			0.00	0.00	0.00	0.00	0.0%	0.00	10%
	Unpurchased Scope - Utilities - Estimate		0.00			0.00	0.00	0.00	0.00	0.0%	0.00	10%
	SUB TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0%	0.00	0.00
3.00	CONCRETE -											
3.00	UnPurchased Scope - With Estimate		0.00			0.00	0.00	0.00	0.00	0.0%	0.00	10%
	SUB TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0%	0.00	0%
4.00	MASONRY											
	SUB TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0%	0.00	10%
5.00	STEEL -											
5.10	Buyout/surplus-Re-route to Contingency-Use Log		0.00			0.00	0.00	0.00	0.00	0.0%	0.00	10%
5.40			0.00			0.00	0.00	0.00	0.00	0.0%	0.00	10%
	SUB TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0%	0.00	0.00
6.00	CARPENTRY -											
6.20	Buyout/surplus-Re-route to Contingency-Use Log		0.00			0.00	0.00	0.00	0.00	0.0%	0.00	10%
	SUB TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0%	0.00	10%
7.00	THERMAL/MOISTURE -											
7.25	Buyout/surplus-Re-route to Contingency-Use Log		0.00			0.00	0.00	0.00	0.00	0.0%	0.00	10%
7.30			0.00			0.00	0.00	0.00	0.00	0.0%	0.00	10%
7.50			0.00			0.00	0.00	0.00	0.00	0.0%	0.00	10%
	SUB TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0%	0.00	0.00
8.00	WINDOWS AND DOORS-											

DIV NO.	DESCRIPTION OF WORK	ORIGINAL SCHEDULED VALUE	INTERNAL CHANGE CCA	EXTERNAL CHANGE CCD	DIRECT PAYMENTS DPO	REVISED SCHEDULED VALUE	PREVIOUS APPLICATION	CURRENT APPLICATION		TOTAL COMPLETED & STORED TO DATE %	BALANCE TO FINISH (C-G)	TOTAL RET %	TOTAL RETAINAGE
								WORK IN PLACE (actual)	STORED MATLS				
	Buyout Surplus - Re-route to Contingency					0.00	0.00	0.00	0.00	0.00	0.00	10%	0.00
8.30		0.00				0.00	0.00	0.00	0.00	0.00	0.00	10%	0.00
	SUB TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0%	0.00
9.00	FINISHES-												
	Buyout/surplus-Re-route to Contingency-Use Log					0.00	0.00	0.00	0.00	0.00	0.00	10%	0.00
9.50		0.00				0.00	0.00	0.00	0.00	0.00	0.00	10%	0.00
9.60		0.00				0.00	0.00	0.00	0.00	0.00	0.00	10%	0.00
9.70		0.00				0.00	0.00	0.00	0.00	0.00	0.00	10%	0.00
9.10		0.00				0.00	0.00	0.00	0.00	0.00	0.00	10%	0.00
	SUB TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0%	0.00
10.00	SPECIALTIES-												
	Buyout/surplus-Re-route to Contingency-Use Log					0.00	0.00	0.00	0.00	0.00	0.00	10%	0.00
10.20		0.00				0.00	0.00	0.00	0.00	0.00	0.00	10%	0.00
10.30		0.00				0.00	0.00	0.00	0.00	0.00	0.00	10%	0.00
10.40		0.00				0.00	0.00	0.00	0.00	0.00	0.00	10%	0.00
10.50		0.00				0.00	0.00	0.00	0.00	0.00	0.00	10%	0.00
10.60		0.00				0.00	0.00	0.00	0.00	0.00	0.00	10%	0.00
	SUB TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0%	0.00
11.00	EQUIPMENT -												
	Buyout/surplus-Re-route to Contingency-Use Log					0.00	0.00	0.00	0.00	0.00	0.00	10%	0.00
		0.00				0.00	0.00	0.00	0.00	0.00	0.00	10%	0.00
	SUB TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0%	0.00
12.00	FURNISHINGS-												
	Buyout/surplus-Re-route to Contingency-Use Log					0.00	0.00	0.00	0.00	0.00	0.00	10%	0.00
		0.00				0.00	0.00	0.00	0.00	0.00	0.00	10%	0.00
	SUB TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0%	0.00
13.00	SPECIAL CONSTRUCTION -												
	Buyout Surplus - Re-route to Contingency					0.00	0.00	0.00	0.00	0.00	0.00	10%	0.00
		0.00				0.00	0.00	0.00	0.00	0.00	0.00	10%	0.00
	SUB TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0%	0.00
14.00	ELEVATOR-												
		0.00				0.00	0.00	0.00	0.00	0.00	0.00	10%	0.00
	SUB TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0%	0.00
15.00	MECHANICAL-												
	Buyout/surplus-Re-route to Contingency-Use Log					0.00	0.00	0.00	0.00	0.00	0.00	10%	0.00
15.20		0.00				0.00	0.00	0.00	0.00	0.00	0.00	10%	0.00
15.30		0.00				0.00	0.00	0.00	0.00	0.00	0.00	10%	0.00
15.50		0.00				0.00	0.00	0.00	0.00	0.00	0.00	10%	0.00
	Unpurchased Scope - with Estimate	0.00				0.00	0.00	0.00	0.00	0.00	0.00	0%	0.00
	SUB TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0%	0.00
16.00	ELECTRICAL-												
	Buyout/surplus-Re-route to Contingency-Use Log					0.00	0.00	0.00	0.00	0.00	0.00	10%	0.00
		0.00				0.00	0.00	0.00	0.00	0.00	0.00	10%	0.00

DIV NO.	DESCRIPTION OF WORK	ORIGINAL SCHEDULED VALUE	INTERNAL CHANGE CCA	EXTERNAL CHANGE CCD	DIRECT PAYMENTS DPO	REVISED SCHEDULED VALUE	PREVIOUS APPLICATION	CURRENT APPLICATION		TOTAL COMPLETED & STORED TO DATE	BALANCE TO FINISH (C-G)	TOTAL RET %	TOTAL RET RETAINAGE %
								WORK IN PLACE (actual)	STORED MATLS				
	Unpurchased Scope - Security System- Estimate		0.00 0.00			0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	10% 0%	0.00 0.00
	SUB TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0%	0.00
	TOTAL OF DIVISIONS 1-16	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0%	0.00
	GENERAL CONDITIONS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0%	0.00
	SALES TAXES RECOVERY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0%	0.00
	CONSTRUCTION PHASE FEE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0%	0.00
	MWBE Sub -	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0%	0.00
	OVERHEAD AND PROFIT, (CMF)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10%	0.00
	MWBE Sub -	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10%	0.00
	BOND & INSURANCE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10%	0.00
	CONSTRUCTION CONTINGENCY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0%	0.00
	***** (Division Surpluses Entered in Constr. Contingency)												
	TOTAL GMP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0%	0.00
	PRECONSTRUCTION PHASE FEE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0%	0.00
	MWBE Sub -	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0%	0.00
	TOTAL CONSTRUCTION COSTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0%	0.00
	CCD CHANGE ORDERS-BOARD APPROV	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0%	0.00
	DPO WHEN CHANGE ORDERS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0%	0.00
	(Net of Sales Tax Recovery already deducted)												
	Excess DPO deduct												
	Excess Sales tax Recovery												
	*****NEW TOTAL CONSTRUCTION COSTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0%	0.00
	TOTAL DPO BELOW THE LINE - P/GMP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0%	0.00
	when not a Change Order												
	ADJUSTED CONSTRUCTION COSTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0%	0.00
	AFTER DPO REDUCTION	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0%	0.00

PBSD 2348 (New 01/15/2010)

DIV NO.	DESCRIPTION OF WORK	ORIGINAL SCHEDULED VALUE	INTERNAL CHANGE CCA	EXTERNAL CHANGE CCD	DIRECT PAYMENTS DPO	REVISED SCHEDULED VALUE	PREVIOUS APPLICATION	CURRENT APPLICATION		TOTAL COMPLETED & STORED TO DATE %	BALANCE TO FINISH RET (C-G) %	TOTAL RETAINAGE %
								WORK IN PLACE (actual)	STORED MATLS			

*****NOTES*****

All Remaining Funding in each line item not part of Subcontractors Contracts or work scope is to be re-routed and placed into the Construction Contingency Line to be used by the Owner (SDPBC) for future executed change orders.

When the subcontractor is selected, their NAME shall appear on the line item with an estimated amount even if not yet agreed to. When the agreed executed value is entered, then transfer any remaining funds into contingency. This new amount should also appear on your subcontractor list.

DPOs are shown on each subcontractor line item subtracted out of the subcontractors contract amount. Subtract the DPO amount net of tax on the DPO line shown after Revised Construction Cost in first column. When the tax savings is deducted from the subcontractor in the DPO column - use same positive amount into Tax savings line item into DPO column. This is to prevent a double reduction to the contract in the revised Schedule of Value column.

Change Orders - CCD Board Approved, then enter on CCD line into Original Schedule of Value Column. In the CCD change order column same line item enter the negative total CCD amount. For each affected subcontractor, apply the positive corresponding amount into CCD Change Order Column.

Contingency - After an approved change order (CCA) deduct amount from Contingency line item in the CCA Change Order Column and add amount to the respective subcontractor in each of their CCA Change Order Columns

Ensure all subcontractor's pay apps are correctly stated to correspond to this CM application for payment as proper backup (change subcontractor pay app if necessary & inform sub as to change) Waivers must match pay applications which include contracts, change orders and retainage.

Provide Invoices for Bonds and Insurance from originator in order for payment to be made.

Construction Phase Fee, Overhead and Profit and General Conditions shall be based on the percent complete of Divisions 1-16 when Billing Current Period. General Conditions is currently billed over duration of Construction in equal payments.

All current period billing amounts shall be paid to corresponding subcontractors and if not, written notification shall be submitted to the Owner and subcontractor explaining the reasons prior to providing waivers by the next application for payment. Remember, if payment is made to the Construction Manager, then payment shall not be withheld from the Subcontractor.

On the Contract Form G702, the Total Contract Sum To Date amount which includes change orders shall correspond exactly to New or Adjusted Construct Cost Total line on the Schedule of Values Form SD703.

Supporting documents and logs include 1) DPO log with subcontractors affected and corresponding material vendor (MWBE) 2) CCA log with corresponding subcontractor 3) CCD log with corresponding subcontractors, 4) Contingency LOG showing all Divit Buyout Surpluses and withdrawals and CCA.s - this can be combined with the CCA 1 5) Subcontractor Pay apps in full with corresponding amounts, 6) Executed subcontractor contracts showing amount and scope.

All logs are to have totals that Correspond to the amounts on the Application for Payment submitted to the SDPBC.

All Retainage payments made must be paid to the affected subcontractors with a Waiver / Release of Lien from the subcontractor showing payment was made.

UnPurchased Scope or Unbought Scope - This amount included from the GMP Identifies all Scope of Work not yet having executed contracts with known Subcontractors. Still in process to be linked with a subcontractors. This left over Scope of work to complete the construction of the school project shall be identified and submitted with an estimated value in the Monthly Report and shown on the Schedule of Values each separately with in the Divisions 1-16 with its value.

A monthly Buyout update for all Divisions with all subcontractors is to be shown on a monthly Reports.