

Blind Brook-Rye UFSD

\$44,700,000 Capital Fund Project
Agreed-Upon Procedures (AUP)

Presented By:

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Bond Overview

- Board of Education authorized a bond up to \$44,700,000 on October 17, 2017.
- Bond issued for \$44,665,000 on October 15, 2019.
- Remaining \$35,000 was funded by the District.
- Bond issued for three projects (collectively “the project”):
 - Ridge Street School
 - High School/Middle School
 - Enrichment Center
- Actual expenditures for the project will exceed the bond proceeds.

Agreed-Upon Procedures (AUP)

- The Board of Education and the Audit Committee requested that EFPR Group, CPAs, perform an AUP engagement, in accordance with attestation standards established by the American Institute of Certified Public Accountants.
- The starting point of the AUP engagement was the Schedule of Project Finances as of October 8, 2021, as prepared by the District consultant.
- The AUP engagement was designed to trace expenditures and other activity on the Schedule of Project Finances, to determine that those items were properly supported.
- The AUP engagement was **not** designed to identify what went wrong from a construction perspective or to find any sort of fault.
- The AUP engagement was also **not** designed to provide an opinion or conclusion about the information included on the Schedule of Project Finances.



AUP Procedures

- Agreed contracts including change orders and settlement agreements to supporting documentation.
- Agreed contract and retainage balances to supporting documentation.
- Agreed allowances and credits to supporting documentation.
- Compared expenditures incurred per vendor balances with those in the financial system.
- Agreed expenditures to determine that they have the proper supporting documentation, including proper approval and payment agrees to contractual and invoiced terms.
- Communicate with external parties including contractors.
- Confirmations were sent to all contractors on the projects, requesting that they report contract and change order amounts, expected additional change orders and timelines. Confirmation response was poor and most contractors chose not to respond. The intended purpose of the confirmations was to estimate the total cost of the projects as it will be in excess of the bond amount.
- Prepare a schedule of estimated project costs using the confirmation responses and the estimates made by the District consultant.
- **No material issues were noted.**

Schedule of Costs to Date and Estimated Total Costs As of October 8, 2021

Construction <u>Project</u>	Unaudited Costs to <u>Date</u>	Unaudited Estimated Future <u>Costs</u>	Total Estimated <u>Costs</u>
Ridge Street School	\$ 32,619,596	9,590,917	42,210,513
High School/ Middle School	5,796,908	92,121	5,889,029
Enrichment Center	General Construction & Incidentals	337,241	-
			337,241
Unallocated	Architecture & Construction Manager	-	920,313
		<u>920,313</u>	<u>920,313</u>
		<u>\$ 38,753,745</u>	49,357,096
Excess (deficit)			<u>(4,657,096)</u>
October 2017 bond authorization			<u>\$ 44,700,000</u>

