



Report Highlights

Recovery School District Modular Campus Construction Program

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Why We Conducted This Audit

We performed a compliance audit of the Recovery School District's (RSD) Modular Campus Construction Program to analyze planning, design, construction, and project management. We also analyzed the factors that led to the cost escalation. For the period of January 1, 2007, through September 30, 2009, we analyzed Modular Campus project costs totaling \$105,356,479. Of that amount, \$54,217,481 was for site design and construction costs.

What We Found

- Forty-five change orders, approved by RSD, to the site construction contract increased costs from \$24,604,265 to \$46,152,190.
- Fifteen amendments, approved by RSD, to the site design contract increased costs from \$673,443 to \$8,065,291.
- Linfield, Hunter and Junius, Inc. billed and RSD paid \$3,543,718 for site design services through methods that were not compliant with contract provisions.
- Arrighi-Simoneaux Construction (Arrighi-Simoneaux) billed RSD through methods that were not compliant with contract provisions. As a result, RSD paid \$2,368,126 for costs that appear to be unreasonable for the service provided.
- Arrighi-Simoneaux billed and RSD paid \$208,414 for various services that were not provided.

Management's responses and the responses of the architect and contractor are included in Appendix A.

