

**Eanes Independent School District**

**Agreed Upon Procedures Report  
2015 Bond Program Expenditures**





MAXWELL LOCKE & RITTER LLP

*Accountants and Consultants*

*An Affiliate of CPAmerica International*

tel (512) 370 3200 fax (512) 370 3250  
www.mlrpc.com

Austin: 401 Congress Avenue, Suite 1100  
Austin, TX 78701

Round Rock: 411 West Main Street, Suite 300  
Round Rock, TX 78664

## **Independent Accountants' Report on Applying Agreed-Upon Procedures**

To the Board of Trustees of  
Eanes Independent School District

Dear Board Members:

We have performed the procedures enumerated below, which were agreed to by the Eanes Independent School District (the "District"), solely to assist the District in assessing the validity and accuracy of 2015 Bond Program expenditures and whether legal requirements, regulatory requirements, and internal control policies were followed. The District's management is responsible for the District's accounting records used for expenditures from the 2015 Bond Program. The sufficiency of these procedures is solely the responsibility of the District. 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 we performed and our findings are included in Schedule A and the accompanying appendices.

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, respectively, on the information included in Schedule A and the accompanying appendices. 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 District and is not intended to be and should not be used by anyone other than the District.

*Maxwell Locke & Ritter LLP*

Austin, Texas  
January 25, 2021

Affiliated Company

ML&R WEALTH MANAGEMENT LLC

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## Schedule A

1. General Procedures
  - a. Obtained a detail of expenditures by project from the 2015 Bond Program as of November 30, 2019 noting a total of 42 projects and \$51,584,646 of expenditures.
  - b. Judgmentally selected expenditures from 15 different bond projects paid from the 2015 Bond Program. Expenditures selected for testing within those projects represent 76% of the total 2015 Bond Program expenditures. See Appendix A.
  - c. Performed steps 2-7 below on selected expenditures.
2. Test to determine if expenditures were in compliance with legal and regulatory requirements.

Findings: None noted.

3. Perform tests to determine if internal control policies, including District policies and procedures regarding procurement, payments, change orders, and recordkeeping, were followed.
  - a. Obtained the District's internal control policies and determined that procedures were appropriately followed.
  - b. Agreed total expenditures per the Purchase Order ("PO") to total amount of expenditures.
  - c. Determined that the bid process was appropriately performed.
4. Perform tests to determine if bond expenditures were legally allowed.

Findings: There were four items which required management explanations. See Appendix B.

5. Agree expenditures to supporting documentation
  - a. Agreed each expenditure to corresponding invoice and check copy.
6. Perform tests to determine if the projects agree to the Bond Oversight Committee projects schedule.
  - a. Determined project was in compliance with bond ballot language.
  - b. Agreed to budgets and budget amendments approved by the Board of Trustees and/or Bond Oversight Committee.
  - c. Agreed any scope change in project to Board of Trustees approval

Findings: None noted.

7. Perform tests to determine projects were completed.
  - a. For all construction projects selected for testing, obtained the last construction invoice noting completion. See Appendix C.

Findings: None noted.

## **Appendix A**

### Sample Selections

Project #	Description	Total Tested Expenditures	Total Project Expenditures
A07	Student Mobile Device Initiative	\$ 4,778,701	\$ 5,055,398
A09	Network gear (Districtwide) Upgrades	\$ 1,709,422	\$ 1,808,444
B01	TOTAL HVAC Replacement/Energy - VVE, BPE, CCE, HCMS, WHS	\$ 9,474,024	\$ 9,819,314
B02	District Wide Roofing	\$ 5,458,461	\$ 5,523,440
B05	Add/Update Security Cameras & Access Control	\$ 318,603	\$ 570,343
B08	Renew Sports Fields	\$ 1,403,616	\$ 1,404,167
B09	Replace Windows - WRMS	\$ 821,887	\$ 841,795
B10	Refurbish Walls, Floors, Ceiling & Other Surfaces	\$ 1,394,560	\$ 3,414,523
C01	Replace 8 Buses and Purchase Smart Tag Equipment and Bus Cameras System	\$ 953,174	\$ 1,072,738
C02	Replace/Update Furniture, Fixtures & Equipment	\$ 1,903,289	\$ 1,971,377
D01	Construct a District Operations Center located on Shriner property to house Maintenance and Operations, Technology, Facility Rentals, and Safety/Risk Mgmt.	\$ 4,031,365	\$ 4,200,152
D02	Develop the Shriner property to include student/staff parking, landscaping, water quality detention ponds, etc.	\$ 2,010,842	\$ 2,034,348
D06	Renovate and add additions to the existing Transportation facility necessary to create operational efficiency.	\$ 2,097,155	\$ 2,156,356
D09	Fine Arts Additions, HCMS	\$ 1,179,560	\$ 1,199,042
D10	Fine Arts Additions, WRMS	\$ 1,703,625	\$ 1,724,642
<b>Total</b>		<b>\$ 39,238,284</b>	<b>\$ 42,796,079</b>

## **Appendix B**

## Internal Control Findings

	Total Per PO	Total Expenditures	Management Explanation
1	\$ 12,000	\$ 24,038	Project A09 - This PO was approved on September 21, 2016 for \$12,000. (This PO was preceded by PO 6651600023 on November 12, 2015.) The prevailing contract was executed in July 2015 at \$50.00 per hour, with no “not to exceed” clause; instead worded: “Until completion of [2015 Bond Technology] Projects”. However, this PO should have been edited or a new PO should have been initiated when the initial \$12,000 was fully spent.
2	\$ 95,000	\$ 99,056	Projects D01 and D02 - There are 2 factors contributing to this: 1) the proposal included \$8,500 in predesign work. \$5,120 of this was paid via check request in June of 2015 [so not paid against the PO], but the remaining \$3,380 of predesign work was paid against the PO, part of invoice 14777. The remaining overages of <\$1k appear to be due to reimbursable expenses. *The contract read: Compensation - In consideration of the services performed by Consultant under this Agreement, Owner shall pay to Consultant the sum of \$95,000. Additional services and reimbursable expenses shall be compensated at the rate and manner set forth in the Proposal.
3	\$ 39,142	\$ 48,352	Project D06 - Rental was needed for longer than originally anticipated: 11 months instead of 7, and monthly cost was \$1,976.40 instead of \$1,830 (included a property tax surcharge of \$146.40 monthly). The PO was 7 months @\$1,830/month totaling \$12,810, but erroneously showed \$12,530; actual was 11 months @\$1,976.40/month totaling \$21,740 resulting in a variance of \$9,210. The contract did have an option to extend the lease term; that extension should have been attached, and the PO edited.
4	\$ 1,900	\$ 3,800	Projects D06 and D09 - This PO was for construction inspections on 2 construction sites. There were more inspections (and re-inspections) than anticipated. The PO should have been edited or a new PO generated.

## **Appendix C**



## Completed Projects

Project #	Contractor	Project Description	Total Expenditures
B01	American Constructors, LLC	HVAC replacement	\$ 4,454,747
B01	Braun & Butler Construction	HVAC replacement	\$ 3,336,678
B02	American Constructors, LLC	HVAC & roof replacement	\$ 2,161,241
B08	FieldTurf	Field turf replacement	\$ 1,382,729
B09	Braun & Butler Construction	Window replacement - WRMS	\$ 812,004
B10	Braun & Butler Construction	Flooring replacement	\$ 565,192
D01	Bailey Elliott Construction	District Operations Center construction	\$ 3,510,743
D02	Bailey Elliott Construction	Shriner site development	\$ 1,954,375
D06	Bailey Elliott Construction	Renovate Transportation facility	\$ 1,829,431
D09	Chaney-Cox Construction	Fine Arts additions - HCMS	\$ 1,093,578