

**MANAGEMENT ACTION PLAN**  
**Audit of Isle of Hope K-8 School - ESPLOST / Final Review (#17-02)**  
**Management's Response and Action Plan**

Comment or Condition Description	Recommendation	Responsible Area(s)	Action	Current Estimated Completion
<b>Condition A. An overpayment was identified in one application for payment during our review of construction management labor.</b>				
<i>To: Operations Division:</i>				
A.1. Labor cost documentation should be reviewed and verified when an application is submitted for payment by the CMR. The title, labor rate, and period ending date of all employees listed should be reviewed to ensure there are no duplications that could cause an overpayment.	Parsons Program Management	All labor costs are being checked against the labor wage schedule. This is an ongoing process in reviewing payment applications.	Completed	
<b>Condition B. One change order was processed without proper approval, documented with an incorrect amount in Impact®, and not listed on the Quarterly Change Order Report.</b>				
<i>To: Operations Division:</i>				
B.1. Ensure that proper approval is obtained for all change orders prior to being processed. All change orders that have been properly approved should also be included on the Change Order Quarterly Report. The amount of each change order should be verified to ensure the correct amount is approved and reported.	Parsons Program Management	A supplemental report is being generated in IMPACT® to ensure all change orders are approved and included on the Change Order Quarterly Report. This report is currently being used.	Completed	
<b>Condition C. The CMR report of contracts awarded for Isle of Hope K-8 School did not accurately reflect the status of one non-local business.</b>				
<i>To: Operations Division:</i>				
C.1. Reports submitted by the CMR should be verified for accuracy. The business identified as non-local should be updated as needed on existing CMR reports.	Parsons Program Management	The CMR shall be required to provide written documentation on all vendors identifying their business location (city and county) prior to contract award.	March 2017	