Primary Fire Station Continuing Operations Preservation Project – MC/CM Cost-of-Record Audit

November 2024 – March 2026

Port of Seattle INTERNAL AUDIT

Issue Date: June 18, 2026

Report No. 2026-10

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Executive Summary

The Port entered a contract with Hoffman Construction Company of Washington to serve as the General Contractor/Construction Manager (GC/CM) for the Primary Fire Station Continuing Operations Preservation Project. This project was designed to implement improvements at Station 1, assuring the facility could continue to operate effectively until it is eventually displaced by future development. The scope of work focused on maintaining operational capability and supporting the ongoing use of the existing fire station during the interim period before redevelopment occurs.

Hoffman's original contract sum was a Guaranteed Maximum Price (GMP) $15,656,267, with $132,949 in changes. Hoffman's contract as of March 2026 was $15,789,216.

State law permits public agencies to use an alternative subcontractor selection process for subcontracts anticipated to exceed $3 million when operating under the GC/CM project delivery method. This process requires public agencies to conduct an independent audit to confirm that costs have been properly accrued.

For this project, Hermanson Company LLC (Hermanson) was chosen to serve as the Mechanical Contractor/Construction Manager (MC/CM). As of the March 2026 Pay Application, Hermanson's Guaranteed Maximum Price (GMP) totaled $4,602,214, with $4,080,199 billed to date. The MC/CM is entitled to receive payment for substantiated costs, the agreed-upon fee, and fixed-price Specified General Conditions (SGCs), up to the final GMP value.

The objective of this audit was to independently assess Hermanson's asserted MC/CM project costs for the Primary Fire Station Continuing Operations Preservation Project, confirming that billed amounts were properly supported, accurately recorded, and consistent with contract requirements.

During our review, we identified certain costs that raised concerns and may be classified as questioned costs. The Port should pursue these items, and Hermanson's substantiated project costs should be reduced by $171,225,[1] or the appropriate documentation should be obtained.

However, upon testing Hermanson's Job Cost Ledger financial report against the amounts billed, it was determined that Hermanson coded more costs than were billed, totaling $19,920. If these additional costs are allowed, the reduction would decrease to $152,569. This reduction would result in GMP savings and may require Hermanson to refund the Port, as outlined in the subsequent table.

Cost Category	Billed	Tested JCL	Diff:	Questioned
Labor	1,139,978	1,144,752	4,774	132,495
Specified General Condition	970,687	970,687	-	-
MC/CM Fee	258,146	258,146	-	-
Other	29,672	29,672	-	22,255
Equipment	662,000	662,000	-	-
Subcontractors	840,608	855,608	15,000	-
Material	179,108	179,254	146	16,475
	4,080,199	4,100,119	19,920	171,225

Note: The MC/CM Fee is not included in the JCL, instead our testing recalculated it to the Continuation Sheet without exception.

[1] This statement identifies audit concerns and offers Port management a potential business opportunity and decision point. We understand that Hermanson might dispute our findings and that business decisions and accommodations may result.

This engagement was not performed in accordance with professional audit standards, as we did not formally review internal controls. Our assessment was based solely on evidence obtained from tested documents. Our tests revealed that project cost details were generally well-documented and appropriately coded to their respective projects, timeframes, and phase codes.

Although most documentation was sufficient, we have provided specific recommendations that the Port can implement in future projects, to further strengthen process integrity and enhance project cost substantiation.

#	Recommendations	Ref.
1	The Port typically approves billable labor rates according to its Master Labor Rate Template, which outlines rates by craft. If someone requests higher rates, the Port should maintain justification for approval and implement additional steps during Pay Application review to confirm contractors are paying employees the extra base hourly wage.	Pg. 9
2	Obtain Tax Rate Notices and compare them to the rates listed in the Master Labor Rate spreadsheet to ensure accuracy.	Pg. 9
3	Update SUTA and FUTA formulas on the Master Labor Rate Template.	Pg. 9
4	Obtain a detailed list of contractor Shop Burden items before approving billable rates.	Pg. 9
5	Pre-approve proposed rental and storage rates and review itemized documentation for components such as Shop Burden.	Pg. 12

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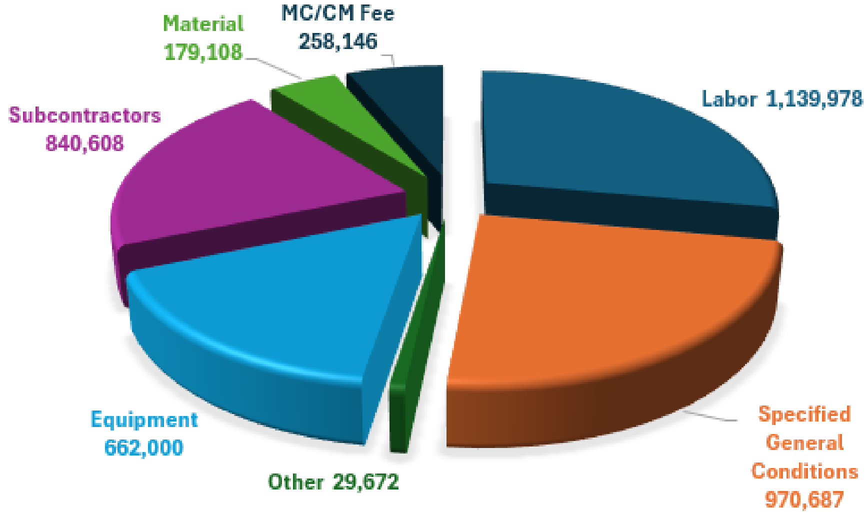
Audit Scope and Approach

The audit approach was primarily substantive, with a strong emphasis on comprehensive testing of project costs. The procedures were designed to cover the planned scope and were executed with careful attention to detail, assuring that the audit objectives were achieved as intended. The audit report presents the principal findings and observations derived from the review, accurately representing the results of the assessment.

The audit process began by electronically obtaining Hermanson's job cost report. Multiple tests were performed to confirm the accuracy of basic mathematical functions, such as the summation of amounts and the precise calculation of extended values. These foundational checks were supplemented by focused searches within the dataset to identify and scrutinize substantial dollar charges that required further investigation.

The subsequent section of this report concentrates on the total asserted project cost of $4,080,199, as discussed in the audit.



The audit identified that certain portions of Hermanson's asserted expenses were adequately documented and well-supported within the pay estimates submitted to the Port. However, other segments of the costs, primarily associated with labor billings, were not initially accompanied by sufficient supporting documentation for the Port's interim review and payment processing. To address these gaps, the audit team requested additional documentation from Hermanson for items that were, in their assessment, lacking proper substantiation. Upon receiving these requests, Hermanson subsequently provided further supporting materials, which were used to validate and substantiate specific amounts in question.

The scope of the audit encompassed comprehensive coverage due to the nature of Hermanson's cost assertions between November 2024, through March 2026. Our review tested 100% of billed costs. Three primary factors contributed to the high percentage of costs examined. First, a substantial portion of Hermanson's project costs originated from subcontractors operating under fixed-price agreements, which enabled extensive audit coverage of high-dollar items. Second, Hermanson received contractual payments for its Specialized General Conditions (SGCs) on a fixed-price basis. Third, we applied electronic auditing techniques to review all Hermanson's recorded craft labor, equipment, material, and "other" coded charges.

The audit objectives and testing procedures were carefully designed and implemented to assure that all costs remained within the boundaries defined by the Contract. For example, direct costs were reviewed to confirm they did not include elements already covered by fixed general conditions or seeking direct costs for amounts recoverable through markup.

Detailed Audit Methodologies, Observations, and Results

Labor

Division 00 70 01 - *General* Conditions covers a table of cost categories and markups that allows Hermanson to be reimbursed for direct labor and labor burden costs. Labor rates were set at project start and revised every six months per the Collective Bargaining Agreement. The Port provided Hermanson with a Master Labor Rates Template, requiring updates for state unemployment and worker's compensation rates. Our review found the Port lacked Hermanson's annual Tax Rate Notices needed to verify spreadsheet entries; we obtained these directly from Hermanson.

Division 00 83 00 §1.05 of the Agreement outlines the submission requirements for employee payroll and work hour records. According to the Agreement, contractors are required to submit Employee and Work Hour Records Electronic Payroll Information (EPI) to the Port. This obligation extends to the prime Contractor as well as every subcontractor and supplier who are required to pay prevailing wages. The submission must cover each week from the commencement of work on the project until its completion. Although the records are maintained in weekly increments, they are to be submitted monthly to the CPO Systems Administrator.

The Agreement further stipulates that all payroll information submitted for the specified period must be correct and complete. Specifically, it requires, "…that the wage rates paid to laborers or mechanics, as documented in these records, must not be less than the applicable wage rates established in any wage determination incorporated into the contract."[2]

We audited 100% of Hermanson's asserted labor hours and costs using electronic analysis and verification procedures, comparing the data to L&I certified payroll reports, payroll information submitted through the Port's Contractor Data System (CDS), and Hermanson's Job Cost Detail. All reported hours were confirmed to match those recorded in the Job Cost Detail. We then reviewed the base hourly wage paid to each worker to determine whether the wages paid were consistent with the rates approved by the Port.

Article VII (E)(2) of the United Association Local #32 Master Labor Agreement stipulates: "When special, or customer required occupied conditions exist, and none of the Sections regarding shift work can be applied, irregular shifts for a full calendar week may be established under the following conditions: (1) Prior agreement between the Employer and Local 32 is required before the commencement of shift work. (2) Employees shall receive twenty percent (20%) above the Straight Time Base Rate and Vacation for each hour worked." This stipulation does not apply to Commercial Plumbers which would

[2] General Conditions, GC/CM Contract No. MC-0320968, for General Contractor/Construction Manager Services, *Primary Fire Station Continuing Operations Preservation Project*, § 008300 1.05(B)(2)(a).

consist of those working on this project. Furthermore, the Sheetmetal Workers Union has a comparable provision: "4-10 Shift work on Occupied Premises Only: When the customer or general contractor mandates that work cannot occur during regular business hours due to occupancy, this shift must be compensated at twenty percent (20%) above the regular day shift rate. Shift work on occupied premises will be permitted provided three (3) consecutive days of shifts, excluding Saturday or Sunday."[3]

The Port did not maintain documentation as to the negotiation on approving labor rates. However, it appears that these Articles were referenced to justify the premium "occupied space" rates, raising three primary concerns. First, Article VII of the MLA pertains exclusively to Service Plumber Mechanic and Supermarket Plumbers, and not Commercial Plumbers who made up the workforce for this Project. Second, the tasks executed were carried out during standard shifts, not qualifying as "irregular shifts," which does not satisfy the requirements set forth. Finally, the Project site was cordoned off, thereby failing to meet the criteria for an occupied space. Concerning the Sheetmetal workers, a review of the L&I Certified Payroll reports indicates no evidence of 4 ten-hour shifts as required by its Collective Bargaining Agreement.

For both the Sheetmetal workers and the plumbers & pipefitters assigned to the Project site, Hermanson compensated the fieldwork staff at the standard labor rate applicable to their respective trades and classifications; none received the "occupied space" premium. Consequently, the Port's reimbursement should have been based on the billable rate defined in its Master Labor Template rather than the "occupied space" rate. Accordingly, we are questioning $130,965 in billed labor costs which includes the Fee portion.

Name	Trade (Fieldwork)	Classification	Reported Hours	Total Billed	Expected Amount Using Labor Rates Paid	Questioned Costs	
A.B.	Sheet Metal	Foreman	24.50	$ 3,614.73	$ 3,154.20	$ 460.53	
J.B.G.	Plumbers & Pipe Fitters	Apprentice 3	378.00	34,535.12	30,933.16	3,601.96	
I.B.	Sheet Metal	Journey man	16.00	2,113.44	1,841.60	271.84	
W.A.D.	Sheet Metal	Apprentice 2	12.00	1,064.88	849.48	215.40	
A.M.D.	Sheet Metal	Lead Foreman	3.00	469.77	379.65	90.12	
G.I.E.	Plumbers & Pipe Fitters	Apprentice 3	346.00	31,554.20	28,306.44	3,247.76	
T.L.E.	Sheet Metal	Journey man	510.00	68,926.50	60,072.90	8,853.60	
A.G.	Sheet Metal	Foreman	674.00	99,228.12	84,783.78	14,444.34	
B.E.H.	Plumbers & Pipe Fitters	Apprentice 2	10.00	1,083.92	814.50	269.42	
S.P.K.	Plumbers & Pipe Fitters	Foreman	8.00	1,190.96	1,028.08	162.88	
E.P.K.	Plumbers & Pipe Fitters	Journey man	350.00	48,923.00	42,980.00	5,943.00	
M.A.K.	Plumbers & Pipe Fitters	Foreman	785.00	119,575.15	102,606.99	16,968.16	
A.L.	Plumbers & Pipe Fitters	Lead Foreman	86.00	13,394.50	11,589.36	1,805.14	
Z.L.	Plumbers & Pipe Fitters	Foreman	102.00	15,546.84	13,338.54	2,208.30	
T.L.L.	Sheet Metal	Foreman	44.00	6,491.76	5,688.32	803.44	
E.A.L.	Plumbers & Pipe Fitters	Journey man	714.00	99,775.56	87,662.00	12,113.56	
M.M.	Sheet Metal	Foreman	1,243.00	180,947.46	154,620.94	26,326.52	
J.M.M	Plumbers & Pipe Fitters	Gen Foreman	507.00	81,648.15	70,341.18	11,306.97	
M.R.N.	Sheet Metal	Apprentice 6	810.00	79,446.46	69,144.04	10,302.42	
Q.A.S.	Plumbers & Pipe Fitters	Lead Foreman	36.00	5,607.00	4,851.36	755.64	
		Totals	6,658.50	$895,137.52	$ 774,986.52	$ 120,151.00	
						10,813.59	Fee (9%)
						130,964.59	Total Questioned Costs

We found multiple errors in Hermanson's certified payroll to L&I and its submissions to the Port's Contractor Data System, mainly regarding shop workers totaling $235,718. Hermanson acknowledged the mistakes and is correcting them. The Port's contract administrator confirmed that the closeout process includes reconciling CDS with L&I, which should catch these reporting errors.

[3] *Standard Form of Union Agreement Between SMACNA Western Washington and Local Union No. 66 of the International Association of Sheet Metal, Air, Rail, and Transportation Workers*, art. XVII(G), at 30 (June 1, 2024).

We confirmed that shop workers received the appropriate base labor rates. Except for two individuals who were billed above the approved rates, all others were charged correctly. We are questioning $1,531 as detailed in the table below, which includes the Fee.

Name	Trade (Fieldwork)	Classification	Pay code ID	Reported Hours	Rate Billed	Total Billed	Approved Rate	Expected Amount	Questioned Costs	
M.F.N.	SHOP Detailer Plumbers & PipeFitters	Foreman	REG	51.00	154.44	7,876.44	131.44	6,703.44	1,173.00	
M.N.	SHOP Sheet Metal	Material Handler	REG	2.50	143.03	357.58	67.13	167.83	189.75	
M.N.	SHOP Sheet Metal	Material Handler	REG	5.00	75.43	377.15	67.13	335.65	41.50	
		Totals		58.50		$ 8,611.17		$ 7,206.92	$ 1,404.25	
									126.38	Fee (9%)
									1,530.63	Total Questioned Costs

Beyond the standard labor burden, covering taxes and benefits, Hermanson applied an additional “Shop Burden” of 24.60% to SHOP-Plumbers and Pipefitters, as well as Sheetmetal workers. Typically, such a Shop Burden is intended to account for indirect costs associated with the operation of a shop, including expenses like rent, utilities, insurance, clerical support, and small tools. To validate the appropriateness of this Shop Burden, we examined the Project documentation and requested Port staff provide a detailed breakdown of the Shop Burden components. Despite these efforts, Port staff did not supply the requested information. This indicates that the Port may not have obtained or reviewed the Shop Burden components before authorizing the billable rates.

The absence of detailed documentation regarding the Shop Burden composition introduces a significant risk. Without transparency, it is highly probable that certain cost elements included in the Shop Burden percentage may also be billed separately as direct cost-of-work line items. Additionally, these elements may have already been captured within specified general conditions, regular general conditions, or the contractor fee, resulting in potential duplication and overbilling.

During our review of the Master Labor Template in addition to the questioned costs, we identified several concerns related to the calculation of Federal Unemployment Tax Act (FUTA) costs. Employers are required to pay 0.6% of an employee’s hourly wage, but only on the first $7,000 of annual income per employee, for a total maximum of $42.00 per employee. However, the formula used in the Master Labor Template does not recognize this maximum annual wage threshold. Instead, the template applies a flat 0.6% to the base labor hourly rate across all hours worked, regardless of the $7,000 threshold, which leads to an inflated billable rate and provides contractors with profit beyond the actual costs incurred.

This miscalculation is often based on the misconception that owners would need to track each worker’s cumulative salary to avoid collecting FUTA after the threshold is reached. However, if the correct formula is used, pay application reviewers will not have to perform additional monitoring because contractors will automatically be reimbursed accurately when an employee spends their entire working time on a specific project.[4] This table shows an example of when the maximum threshold is ignored.

[4] As a rule, trades people work 1,500-1,550 hours per year. Using this range for the calculation, the actual burden rate increases to only $0.03 per hour. If 2,080 hours are used, the burden rate decreases to $0.02 per hour.

	Base Hourly Rate	FUTA %	Hr. Burden	Workable Hours	Total	
Current Formula	$100	0.60%	$ 0.60	2080	1,248.00	
Correct Formula	$100	0.60%	$ 0.02	2080	41.60	
					1,206.40	Contractor profit per employee, per year

Like the Federal Unemployment Tax Act (FUTA), the State Unemployment Tax Act (SUTA) formula applied within the Master Labor Template does not account for the maximum dollar threshold established by SUTA regulations. Rather than limiting the application of the SUTA tax rate to the designated annual wage cap per employee, the formula erroneously applies the rate to the base labor hourly rate for all hours worked throughout the year. This practice results in an inflated billable rate, leading to reimbursement amounts that exceed the contractor's actual SUTA liability. Consequently, contractors receive more payments than the true costs incurred for SUTA contributions, mirroring the miscalculation observed with FUTA.

Recommendations

1. The Port typically approves billable labor rates according to its Master Labor Rate Template, which outlines rates by craft. If someone requests higher rates, the Port should maintain justification for approval and implement additional steps during Pay Application review to confirm contractors are paying employees the extra base hourly wage.

2. Each year, the Port should collect Tax Rate Notices and compare them to the rates listed in the Master Labor Rate spreadsheet to ensure accuracy.

3. Update SUTA and FUTA formulas on the Master Labor Rate Template.

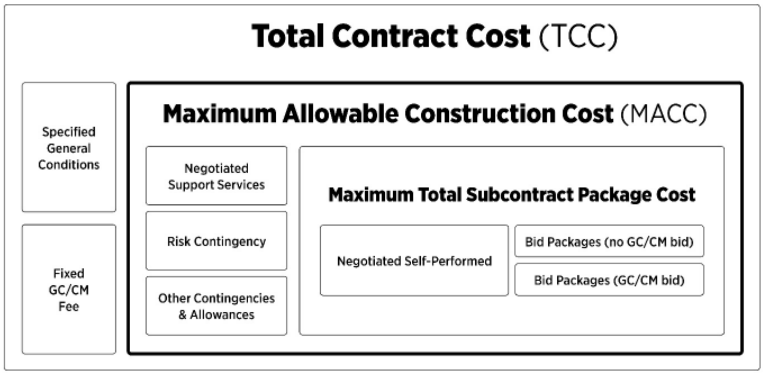
4. Obtain a detailed list of contractor Shop Burden items before approving billable rates.

Specified General Conditions

GC/CM contracts are divided into distinct subcategories as required by State Law.[5] The Total Contract Cost (TCC) is separated into three main components: Specified General Conditions (SGC), the Fixed Fee, and the Maximum Allowable Construction Cost (MACC).

SGCs encompass administrative functions necessary for the project. These include general conditions, subcontractor management, cost tracking, scheduling, meetings, safety, quality assurance and warranty management. SGCs may either be bid or negotiated, depending on the project requirements. The GC/CM fee is a fixed percentage applied exclusively to the MACC. This approach follows guidance outlined by the Capital Projects Advisory Review Board's Best Practices Manual.[6]
The following table represents how TCC is established.

[5] RCW § 39.10.370(4)
[6] Capital Projects Advisory Review Board, *General Contractor/Construction Manager Best Practices Manual* 11 (Apr. 2025).



Source: CPARB General Contractor/Construction Manager Best Practices Manual 11 (April 2025).

SGCs were approved at $1,034,876. Pay Application # 19 reports that Hermanson invoiced $970,687 against the SGC allocation. Since SGCs are defined as lump sum amounts, they fall outside the scope of audit procedures.

During our verification of costs charged under both the Material and "Other" categories, we identified certain line items that were considered unallowable. These items met the established criteria for inclusion as SGCs, which means they should not have been billed as cost of work items. A detailed discussion and analysis of these findings are presented in the following sections, outlining the rationale for their exclusion and the appropriate classification under SGCs.

The table below lists the items that qualify as SGCs and, consequently, should not be billed separately as cost of work. This distinction assures that all costs are categorized correctly in accordance with contract requirements and prevents duplicate billing for items already covered under the lump sum SGC allocation.

PORT OF SEATTLE PRIMARY FIRE STATION CONTINUING OPERATIONS
MCCM SPECIFIED GENERAL CONDITIONS - FROM RFP RESPONSIBILITY MATRIX

DESCRIPTION	UNIT	QTY.	DUR	RATE		
As-Built Drawings	LOT	1	5	$ 600.00		$ 3,000.00
Badging - Fitters	EACH	6	8	$ 133.05		$ 6,386.00
Badging - Plumbers	EACH	2	8	$ 133.05		$ 2,129.00
Badging - SM	EACH	6	8	$ 127.71		$ 6,130.00
Cell Phones	LOT	4190	1	$ 1.50		$ 6,285.00
Company Safety Director	MONTH	8	12.35	$ 88.54		$ 8,748.00
Company Superintendants	MONTH	16	1	$ 165.96		$ 2,655.00
Computers, Software and Internet	LOT	1	1	$ 33,534.00		$ 33,534.00
Delivery / Pickup of Site Trailer	EACH	1	1	$ 2,800.00		$ 2,800.00
Site Trailer Rental - 10x30	MONTH	1	12.35	$ 570.00		$ 7,040.00
Site Trailer Copier, Plotter, Furniture, Power Connect	LOT	1	1	$ 25,000.00		$ 25,000.00
Advertising and Coordinaging SBE outreach	Lot	1	4	$ 2,500.00		$ 10,000.00
Office Supplies	MONTH	1	12.35	$ 225.00		$ 2,779.00
Field Admin PLA, Cert payroll, Billing Audit Support	MONTH	40	16	$ 96.84		$ 61,978.00
Small Tools (Under $500)	HRS	4190	1	$ 3.00		$ 12,569.00
Trucks (Rental)	EACH	3	12.35	$ 1,730.00		$ 64,097.00
Trucks (Fuel)	MONTH	3	12.35	$ 850.00		$ 31,490.00
Warranty	LOT	1	1	$ 37,598.30		$ 37,600.00
				Total Cost		$ 324,220.00
				FEE Markup	9%	$ 29,179.80
				Total additional need for Specified GC's		**$ 353,400**

FROM MCCM BID	Name	Hourly Rate	Monthly Billing Rate	Total Cost	Total Months
Project Manager	David	$112.28	$19,537	$140,669	7.2
On-site Supervision (Super or GF) for Project	Bruce	$132.83	$23,112	$277,349	12.0
Engineer	TBD	$54.15	$9,423	$113,070	12.0
Safety Manager	Troy Harrell	$67.49	$11,744	$14,093	1.2

Total SGC Labor from Proposal and Preconstruction Form **$545,181**

Grand Total Needed for SPGC's Outlined in Responsibility Matrix **$ 898,581** [7]

[7] *MC-0320968 Primary Fire Station COPP GCCM Construction Contract MACC rev.*, at 2200.

MC/CM Fee

The MC/CM fee is a set percentage, covering profit and overhead. Overhead includes office expenses allocated to the project, costs for subcontractor bidding, B&O taxes, bonds, and insurance. The *Summary Matrix of Cost Allocation* in General Conditions lists additional factors affecting the fee percentage. The Fee applies only to the MACC, not SGCs; for this project, it was set at 9%. We validated the amounts by recalculating with the Schedule of Values and the Total Completed and Stored to Date on Pay Application #19 without exception.

Subcontractors

Herman's Job Cost Ledger shows fixed-price subcontractor costs totaled $855,608 as of PA #19 and were distributed among seven different subcontractors. However, only $840,608 was billed resulting in a potential that Hermanson is entitled to $15,000. To ensure accuracy and compliance, we verified Hermanson's reported payment amounts to each subcontractor by reviewing their Application and Certification for Payment, as well as their Conditional Waiver and Release Upon Progress Payment. Our testing confirmed that all costs were substantiated, and no exceptions were identified. This comprehensive review provides assurance that payments were correctly processed and documented.

Subcontractor	Job Cost Ledger	Amount Verified	Amount Billed (as of PA #19)	Questioned Costs
Diverse Contractors & Associates LLC	$ 86,480	$ 86,480		$ -
ISAT	$ 9,071	$ 9,071		-
NCES LLC	$ 4,285	$ 4,285		-
Neudorfer Engineers Inc.	$ 26,470	$ 26,470		-
Performance Contracting Inc.	$ 75,638	$ 75,638		-
Siemens	$ 82,144	$ 82,144		-
Siemens Industry Inc.	$ 534,715	$ 534,715		-
Snell Crane Service Inc.	$ 36,806	$ 36,806		-
Grand Total	$ 855,608	$ 855,608	$ 840,608	(15,000)

Equipment

Hermanson billed $662,000 for equipment, all confirmed by matching invoices in the pay applications with no discrepancies.

"Other"

Hermanson utilized the "Other" transaction category code to bill items that did not fit within the standard cost categories. A comprehensive verification was performed on all costs billed under this category. During this review, it was determined that several items billed as "Other" should instead be classified as SGCs, as outlined in the contract agreement. Other items should have been included as part of the Fee, according to the established General Conditions and the Table of Cost Categories & Markups.

Hermanson submitted $4,538 in warehouse storage fees as part of the Pay Application. However, General Conditions G-08-04(a) stipulates specific documentation requirements for progress payments related to materials delivered to the site but not yet incorporated into the work. The contractor must provide certified invoices from subcontractors or suppliers and proof of payment, either in the form of canceled checks or acknowledgments of receipt of full payment from those parties. In this instance, Hermanson only submitted summary documents describing the material, its location, and a charge rate of $4 per square foot. The required supporting documents, as detailed in G-08-04(a), were not provided in the Pay Applications.

Based on our verification and documentation review, we are questioning $22,255 which includes the applicable sales tax and MC/CM Fee.

	Cost Category- OTHER			
	Billed	Tested	Questioned	
	29,672	29,672	-	
Small Tools, equipment, Truck Rental, etc. (includes sales tax):			12,863	
Vehicle Monthly Rental:			1,423	
Office Supplies, PPE, Consumables, Incidentals etc. (includes sales tax):			933	
Warehouse Storage:			4,538	
Returned Tool Billed but not credited (Includes sales tax):			660	
	29,672	29,672	20,417	
			1,838	Fee: 9%
			22,255	Total Questioned Costs

<u>Recommendation:</u>

5. Pre-approve proposed rental and storage rates and review itemized documentation for components such as Shop Burden.

Material – $179,254

We performed a thorough review on all costs billed under the "Material" category. This comprehensive verification process included an evaluation of documentation supporting each item submitted for payment. During our review, we identified certain items classified as "Material" that did not align with the Agreement's definition. Specifically, several costs should have been categorized as SGCs, as stipulated in the Agreement. Additionally, some items were determined to fall under the Fee category, as outlined in the General Conditions and the Table of Cost Categories & Markups.

Hermanson submitted a total of $179,254 in material costs, all of which underwent detailed testing and verification. Among these, items requiring reclassification as SGCs or General Conditions were isolated for further review and found that $2,709 in material costs lacked adequate supporting documentation. Consequently, after our verification and review of supporting materials, we are questioning $16,475 which includes the applicable sales tax and the MC/CM Fee.

	Cost Category- MATERIAL			
	Billed	Tested	Questioned	
	179,254	179,254	-	
Small Tools, equipment (includes sales tax):			7,937	
Office Supplies, PPE, Consumables, Incidentals etc. (includes sales tax):			4,469	
Lack of Supporting Documentation:			2,709	
	179,254	179,254	15,115	
			1,360	Fee: 9%
			16,475	Total Questioned Costs

Appendix A- "OTHER" Questioned Transactions

Date	Purchase order	Vendor name	Vendor invoice number	Description	Total cost amount	PA
3/14/2025	-	-	-	CH Tools - Vehicles February 2025	607.09	8
4/9/2025	-	-	-	CH Tools - Vehicles March 2025	815.88	8
4/30/2025	PO018576	National Safety Inc	0754268-IN	320-753237HERXLXL HD SURV LIM CLS 2 MESH VEST	37.50	9
4/3/2025	PO018573	Bigfoot Construction Supply	96141-1	DEWALT DCS380B 20V MAX RECIPROCATING SAW BARE	159.00	9
4/3/2025	PO018573	Bigfoot Construction Supply	96141-1	DEWALT DCF845B 1/4" IMPACT DRIVER BARE TOOL	318.00	9
4/3/2025	PO018573	Bigfoot Construction Supply	96141-1	DEWALT DCL079B 20V MAX CORDLESS TRIPOD LIGHT	498.00	9
4/3/2025	PO018573	Bigfoot Construction Supply	96141-1	DEWALT DCS491B 18 Gauge Swivel Metal Shears	498.00	9
4/3/2025	PO018573	Bigfoot Construction Supply	96141-1	LOUISVILLE FXP1706 6' FIBERGLASS PINNACLE PRO	498.00	9
4/3/2025	PO018573	Bigfoot Construction Supply	96141-1	DEWALT DCB205 DEWALT 20V MAX XR 5.0AH	654.00	9
4/3/2025	PO018573	Bigfoot Construction Supply	96141-1	LOUISVILLE FXP1708 8' 300 lb podium ladder	658.00	9
4/30/2025	PO018576	National Safety Inc	0754268-IN	170-LCT100LENS CLN TOWELETTES 100/BX	6.43	9
4/30/2025	PO018576	National Safety Inc	0754268-IN	628-A11101010' CROSS ARM STRAP	44.57	9
4/30/2025	PO018576	National Safety Inc	0754268-IN	628-H212004HERHERMANSON CUST XL 1D HARNESS W	113.60	9
4/30/2025	PO018576	National Safety Inc	0754268-IN	628-H212005HERHERMANSON CUST 2X 1D HARNESS W	113.60	9
5/30/2025	PO018574	Bill's Locksmith Service Inc.	128435	LOCKS	103.80	10
6/1/2025	PO021366	Bigfoot Construction Supply	97194-1	CORD 11-00225 VOLTEC POWER STRIP	47.32	11
7/1/2025	PO022740	Bigfoot Construction Supply	97770-1	41" X 17" X 35" NARROW SERVICE CART WITH 5" HEAVY DUT Y LOCKING CASTERS PLEASE ASSY	156.00	11
6/1/2025	PO022000	Bigfoot Construction Supply	97419-1	DUST EXTRACTOR ATTACHMENT FOR DCH273	215.00	11
6/1/2025	PO021366	Bigfoot Construction Supply	97194-1	WIRE SHELVING H294063 36 X 18 X 63" WIRE SHELVING	239.00	11
6/1/2025	PO022000	Bigfoot Construction Supply	97419-2	1/4" IMPACT DRIVER BARE TOOL 20V	318.00	11
6/1/2025	PO022000	Bigfoot Construction Supply	97419-1	DEWALT BARE TOOL ROTARY HAMMER	349.00	11
7/1/2025	PO022740	Bigfoot Construction Supply	97770-1	20V MAX XR BRUSHLESS CORDLESS 1/2" HAMMER DRILL TOOL ONLY (*2 @ $289 ea.*)	578.00	11
7/1/2025	PO022740	Bigfoot Construction Supply	97770-1	DEWALT 20V MAX XR 5.0AH SINGLE PACK BATTERY (*6 @ $109 ea.*)	654.00	11
6/1/2025	PO022000	Bigfoot Construction Supply	97419-1	20V MID SIZE BANDSAW (*2 @ $359 ea.*)	718.00	11
7/1/2025	PO022740	Bigfoot Construction Supply	97770-1	30 X 18 RED PIANO DOLLY WITH RUBBER END PADS 4 POLYOLEFIN CASTERS 1 PLEASE ASSY (*12 @ $174.99*)	2,099.88	11
6/1/2025	PO021366	Bigfoot Construction Supply	97194-1	SCOTT PAPER TOWELS KITCHEN PAPER TOWEL ROLL	16.50	11
6/1/2025	PO021366	Bigfoot Construction Supply	97194-1	COPY PAPER 841195 8-1/2 X 11 REAM	17.90	11
6/1/2025	PO021366	Bigfoot Construction Supply	97194-1	CHINET 1456507 80 CT COFFEE CUP WITH LIDS	24.99	11
6/1/2025	PO021366	Bigfoot Construction Supply	97194-1	BROTHER TN830 BLACK AND WHITE TONER	79.30	11
6/1/2025	PO021366	Bigfoot Construction Supply	97194-1	KEURIG K-SLIM SINGLE SERVE COFFEE MAKER	129.00	11
6/1/2025	PO021366	Bigfoot Construction Supply	97194-1	BROTHER DCP-L2640DW WIRELESS LASER PRINTER	269.00	11
7/31/2025	PO022248	Acme Construction Supply	S4730925.001	MILWAUKEE 48-22-843010 BIN PACKOUT ORGANIZER MODULARSTORAGE SYSTEM CLEAR	53.81	12
7/31/2025	PO022248	Acme Construction Supply	S4730925.001	MILWAUKEE 48-22-8432PACKOUT DEEP ORGANIZER	64.97	12
7/31/2025	PO022248	Acme Construction Supply	S4730925.001	STANLEY 33-725FAT MAX 25' X 1-1/4" MEASURING TAPE	108.00	12
7/31/2025	PO022248	Acme Construction Supply	S4730925.001	DEWALT DCL05020V MAX LED HAND HELD AREA LIGHT	218.00	12
7/31/2025	PO022248	Acme Construction Supply	S4730925.001	TURBOTORCH STK-99SELF-IGNITING TORCH	279.96	12
7/31/2025	PO022248	Acme Construction Supply	S4730925.001	LITTLE-GIANT 13906-071KING KOMBO INDUSTRIAL FIBERGLASS6' TO 10' COMBO LADDER	339.30	12
7/31/2025	PO022248	Acme Construction Supply	S4730925.001	KNAACK CA-01 CART ARMOUR SKIN FITS RUBBERMAID 4520-88	358.88	12
7/31/2025	PO022248	Acme Construction Supply	S4730925.001	LITTLE-GIANT 13908-071 KING KOMBO INDUSTRIAL FIBERGLASS 8' TO 14' COMBO LADDER (*2 @ $412.49 ea.*)	824.98	12
7/31/2025	PO022248	Acme Construction Supply	S4730925.001	MAJESTIC 35-7465-XL CUT-LESS WATCHDOG GLOVES KORPLEX GRAY (PPE)	261.60	12
9/2/2025	PO023103	Bigfoot Construction Supply	97965-1	3/8X50' AIR HOSE	39.99	13
9/2/2025	PO023103	Bigfoot Construction Supply	97965-1	2.5 GAL AIR COMPRESSOR	349.00	13
9/24/2025	PO027991	Grainger	9600037270	OSCILTOOLBLADESET,3PCS,W:0.75";1.25"	96.39	14
9/24/2025	PO027991	Grainger	9600037270	OSCILLATING TOOL,11 1/8 IN L,20V DC	218.37	14
9/24/2025	PO027991	Grainger	9600037270	FIRST AID KIT W/HOUSE,63PCS,2 3/8X4",WHT	91.10	14
11/5/2025	PO033686	Home Depot	901415	20 VOLT MAX	338.00	15
10/22/2025	PO029946	Grainger	9637308009	MULTI-TOOL,SILVER,7 TOOLSMANUFACTURER # 830846 INV 9637308009	508.97	15
1/27/2026		Monaco, Michael		38331 amazon (*reimbursed tool*)	31.13	18
2/17/2025	-	-	-	CH Tools - Storage January 2025	72.00	7
3/14/2025	-	-	-	CH Tools - Storage February 2025	144.00	8
4/9/2025	-	-	-	Kent Warehouse Storage March 2025	36.00	9
5/14/2025	-	-	-	Kent Warehouse Storage April 2025	161.00	10
6/13/2025	-	-	-	Kent Warehouse Storage May 2025	1,802.00	10
7/15/2025	-	-	-	Kent Warehouse Storage June 2025	963.00	11
10/13/2025	-	-	-	Kent Warehouse Storage September 2025	480.00	14
11/7/2025	-	-	-	Kent Warehouse Storage October 2025	260.00	15
12/5/2025	-	-	-	Kent Warehouse Storage November 2025	152.00	16
2/13/2026	-	-	-	Kent Warehouse Storage January 2026	128.00	18
1/19/2026	-	-	-	Kent Warehouse Storage December 2025	340.00	18
2/1/2025	PO011947	Bigfoot Construction Supply	93237-2	DEWALT DW0825LG-K 12v CROSS HAIR / DOT LASER	(599.00)	
2/1/2025	PO011947	Bigfoot Construction Supply	93237-2	TAXOA 93237-0	(61.00)	

Appendix B- “MATERIAL” Questioned Transactions

Date	Purchase order	Vendor name	Vendor invoice number	Description	Total cost amount	PA
1/29/2025	PO011676	Bigfoot Construction Supply	93152-1	MALCO MSHXLC-6 6 x 1/4-5/16" REVERSABLE NUT	144.10	6
1/29/2025	PO011676	Bigfoot Construction Supply	93152-1	DIABLO DS0614BF5 DIABLO 6 STEEL DEMON 14/18 TPI	32.90	6
1/29/2025	PO011676	Bigfoot Construction Supply	93152-1	DIABLO DS1214BF5 DIABLO 12 STEEL DEMON 14/18	51.27	6
1/29/2025	PO011676	Bigfoot Construction Supply	93152-1	L-MSHL-9/16 QUAL 9/16 MAG NUT DRIVER	62.76	6
1/29/2025	PO011676	Bigfoot Construction Supply	93152-1	NUT 3/8 BULK 3/8 ZINC PLATED HEX NUT [3000	3.71	6
1/29/2025	PO011676	Bigfoot Construction Supply	93152-1	INTERCORP H1024 #10 X 1-1/2 UIHW HD DRILL SCRE	6.66	6
1/29/2025	PO011676	Bigfoot Construction Supply	93152-1	MALCO MSHC REVERSIBLE 1/4 & 5/16 NUT	49.90	6
3/3/2025	PO014446	Bigfoot Construction Supply	94523-2	KRAFT BURKE BAR FORM PRY BAR	199.00	8
4/2/2025	PO018199	Bigfoot Construction Supply	96092-1	DIABLO DS0614BF5 DIABLO 6 STEEL DEMON 14/18 TPI	32.90	9
4/2/2025	PO018199	Bigfoot Construction Supply	96092-1	DIABLO DS0914BF5 DIABLO 9 STEEL DEMON 14/18 TPI	44.52	9
4/2/2025	PO018199	Bigfoot Construction Supply	96092-1	DIABLO DSD0500S06 1/4" to 1/2" STEP IMPACT BIT	185.16	9
4/2/2025	PO018199	Bigfoot Construction Supply	96092-1	INTERCORP H1012H 10 X 3/4" HIGH HEAD TEK SCREW	231.60	9
4/2/2025	PO018199	Bigfoot Construction Supply	96092-1	KLENK MB78010 8 COMPARTMENT STACK-N-TOTE	176.00	9
4/2/2025	PO018199	Bigfoot Construction Supply	96092-1	MAGIC CHEF HMM770B2 0.7 CU. FT. 700-WATT COUNTER	98.12	9
4/10/2025	PO016234	Bigfoot Construction Supply	95189-1	DEWALT DW2542IR DEWALT IMPACT SOCKET ADAPTER	26.36	9
6/3/2025	PO019790	Bigfoot Construction Supply	96631-1	STEEL DUST PAN	12.14	10
6/16/2025	PO019790	Bigfoot Construction Supply	96631-2	TAXINV# 96631-2	3.58	10
7/1/2025	PO022806	Bigfoot Construction Supply	97794-1	2" DIA. 25 POND PULL ROUND MAGNET WITH HANDLE 3 PER PACK	56.97	11
7/1/2025	PO022806	Bigfoot Construction Supply	97794-1	2 HOLESAW BI METAL	53.79	11
7/1/2025	PO022806	Bigfoot Construction Supply	97794-1	UNIVERSAL C-TYPE BEAM CLAMP galv finish	78.63	11
7/1/2025	PO022806	Bigfoot Construction Supply	97794-1	LARGE HOLESAW ARBOR 1/2 SHANK 20L-96L	94.00	11
7/15/2025	PO025241	Uline	194565338	DRYWALL CART - 23 X 50" *(2 @ $290/ea)*	580.00	11
7/17/2025	PO025569	Bigfoot Construction Supply	99044-2	MILWAUKEE 3/16 HEX SHANK DRILL	50.85	11
7/17/2025	PO025569	Bigfoot Construction Supply	99044-2	16 OZ. GOOF OFF	51.66	11
7/17/2025	PO026099	Bigfoot Construction Supply	99349-1	TYVEK 141232/12HD	45.00	12
7/17/2025	PO026099	Bigfoot Construction Supply	99349-1	RIDGID HD1400- *14 GALLON HP VACUUM*	169.00	12
7/17/2025	PO026099	Bigfoot Construction Supply	99349-1	VISSANI HVAR43GSE	269.00	12
7/17/2025	PO026099	Bigfoot Construction Supply	99349-1	TAXOA - 99349-0	63.13	12
7/17/2025	PO026099	Bigfoot Construction Supply	99349-2	PC9C ORANGE CLOTH DUCT TAPE	119.04	12
7/17/2025	PO026099	Bigfoot Construction Supply	99349-2	MK BANDSAWE BLADE 32-7/8 14/18	50.54	12
7/18/2025	PO025569	Bigfoot Construction Supply	99044-1	SNAP OFF INSULATION KNIFE	31.25	11
7/31/2025	PO022248	Acme Construction Supply	S4730925.001	UNISTRUT P2949-EGSILVER EG 2-WHEEL STRUT TROLLEY	126.87	12
7/31/2025	PO022248	Acme Construction Supply	S4730925.001	MK-MORSE ZWEP35811MC35-3/8" 8/11 TPI BI-METAL PORT ABAND BLADE 3	89.20	12
7/31/2025	PO022248	Acme Construction Supply	S4730925.001	MK-MORSE ZWEP44811MC44-7/8" 8/11 TPI BI-METAL PORT ABAND BLADE 3	84.70	12
7/31/2025	PO022248	Acme Construction Supply	S4730925.001	REED 04434DEBO DEBURRING TOOL POCKET PENCIL	85.90	12
8/22/2025	PO026712	Acme Construction Supply	S4751791.004	PART FLANGED HEX	83.28	13
8/22/2025	PO026712	Acme Construction Supply	S4754389.001	MAGNETIC 9" TORPEDO LEVEL TRUE BLUE	59.94	13
8/22/2025	PO026712	Acme Construction Supply	S4754389.001	FASTBACK FOLDING UTILITY KNIFE	53.82	13
8/22/2025	PO026712	Acme Construction Supply	S4754389.001	FATMAX KNIFE BLADE [100 PK	23.95	13
8/22/2025	PO026712	Acme Construction Supply	S4754389.001	LED FOCUS FLASHLIGHT WITH RED LASERPOINTER; MAGNET & USB RECHA	243.00	13
8/22/2025	PO026712	Acme Construction Supply	S4754389.001	54PC. SHOCKWAVE DRIVER BIT SETMAGNETIC BIT HOLDER; BITS TIPS;& NU	57.82	13
8/22/2025	PO026231	Acme Construction Supply	S4754385.001	EXTENSION LADDER 16' FIBERGLASSORANGE TYPE 1A 300LB. DUTY RATING	245.78	13
8/29/2025	PO023816	Bigfoot Construction Supply	98343-1	3/8" SOCKET DRIVER FOR CONCRETE HANGER	59.04	13
8/29/2025	PO023816	Bigfoot Construction Supply	98343-1	DRILTEC 1/4 X 6-1/4 SDS PLUS CARBIDE BIT / MAK 00876-25	10.50	13
8/29/2025	PO023816	Bigfoot Construction Supply	98343-1	DRILTEC 3/8 X 6-1/4 SDS PLUS CARBIDE BIT / MAK D00929-25	14.54	13
8/29/2025	PO023816	Bigfoot Construction Supply	98343-1	12 X 1 TEK 3 HWH SELF DRILL	11.40	13
8/29/2025	PO023816	Bigfoot Construction Supply	98343-1	DIABLO DSA0S00 1/4 HEX TO 1/2 SQUARE SOCKET	11.54	13
8/29/2025	PO023816	Bigfoot Construction Supply	98343-1	VISE GRIP 11R	34.03	13
8/29/2025	PO023816	Bigfoot Construction Supply	98343-1	GEARWRENCH 84S12N 1/2""DRIVE 1-1/8"" STANDARD	9.91	13
8/29/2025	PO023816	Bigfoot Construction Supply	98343-1	CRESCENT CCW12-0S COMBINATION WRENCH,15/16""	15.46	13
8/29/2025	PO023816	Bigfoot Construction Supply	98343-1	DEWALT DD5116	28.32	13
8/29/2025	PO024209	Bigfoot Construction Supply	98445-1	DEWALT IMPACT SOCKET ADAPTER 1/4 HEX X 3/8"DR	26.36	13
8/29/2025	PO024209	Bigfoot Construction Supply	98445-1	PERFORMANCE 9/16' RATCHETING WRENCH / TITAN 12606	28.14	13

Appendix B – "MATERIAL" Questioned Transactions (Cont.)

Date	Purchase order	Vendor name	Vendor invoice number	Description	Total cost amount	PA
8/29/2025	PO023816	Bigfoot Construction Supply	98343-1	DRILTEC 3/8 X 6-1/4 SDS PLUS CARBIDE BIT / MAK D00929-25	14.54	13
8/29/2025	PO023816	Bigfoot Construction Supply	98343-1	12 X 1 TEK 3 HWH SELF DRILL	11.40	13
8/29/2025	PO023816	Bigfoot Construction Supply	98343-1	DIABLO DSA0S00 1/4 HEX TO 1/2 SQUARE SOCKET	11.54	13
8/29/2025	PO023816	Bigfoot Construction Supply	98343-1	VISE GRIP 11R	34.03	13
8/29/2025	PO023816	Bigfoot Construction Supply	98343-1	GEARWRENCH 84S12N 1/2""DRIVE 1-1/8"" STANDARD	9.91	13
8/29/2025	PO023816	Bigfoot Construction Supply	98343-1	CRESCENT CCW12-0S COMBINATION WRENCH,15/16""	15.46	13
8/29/2025	PO023816	Bigfoot Construction Supply	98343-1	DEWALT DD5116	28.32	13
8/29/2025	PO024209	Bigfoot Construction Supply	98445-1	DEWALT IMPACT SOCKET ADAPTER 1/4 HEX X 3/8"DR	26.36	13
8/29/2025	PO024209	Bigfoot Construction Supply	98445-1	PERFORMANCE 9/16' RATCHETING WRENCH / TITAN 12606	28.14	13
9/2/2025	PO024238	Acme Construction Supply	S4731411.001	MILWAUKEE 48-32-401054PC. SHOCKWAVE DRIVER BIT SET	86.73	13
9/2/2025	PO024238	Acme Construction Supply	S4731411.001	MILWAUKEE 48-22-1502FLIP UTILITY KNIFE WITH BLADES	59.88	13
9/2/2025	PO024238	Acme Construction Supply	S4731411.001	IRWIN 2084300[D-MAN]BI-METAL UTILITY KNIFE BLADES	33.13	13
9/2/2025	PO024238	Acme Construction Supply	S4731411.001	MILWAUKEE 48-22-5107COMPACT 7" BILLET TORPEDO LEVEL	65.94	13
9/2/2025	PO024238	Acme Construction Supply	S4731411.001	MILWAUKEE 48-22-7214STRAIGHT 14" ALUMINUM PIPE WRENCH	99.94	13
9/2/2025	PO024238	Acme Construction Supply	S4731411.001	MILWAUKEE 48-22-7218STRAIGHT 18" ALUMINUM PIPE WRENCH	129.94	13
9/2/2025	PO024238	Acme Construction Supply	S4731411.001	STANLEY 87-47312" ADJUSTABLE WRENCH CHROME	39.24	13
9/2/2025	PO024238	Acme Construction Supply	S4731411.001	MILWAUKEE 2163-21USB RECHARGEABLE HARD HAT HEADLAMP	139.94	13
9/2/2025	PO024238	Acme Construction Supply	S4731411.001	MAKITA B-433159/16" X 12" HOLLOW SHAFT NUT RUNNER	78.94	13
9/2/2025	PO024238	Acme Construction Supply	S4731411.001	MAKITA B-433653/4" X 12" HOLLOW SHAFT NUT RUNNER	86.22	13
9/2/2025	PO024238	Acme Construction Supply	S4731411.001	MILWAUKEE 48-22-94083/8DR 28PC. SAE SOCKET SET DEEP	104.97	13
9/2/2025	PO024238	Acme Construction Supply	S4731411.001	MILWAUKEE 48-22-3100FINE POINT BLACK INKZALL PERMANENT MARKER	43.20	13
9/2/2025	PO024238	Acme Construction Supply	S4731411.001	MILWAUKEE 48-22-8425PACKOUT LARGE TOOL BOX	179.94	13
9/2/2025	PO024238	Acme Construction Supply	S4731411.001	MILWAUKEE 48-22-8432PACKOUT DEEP ORGANIZER	129.94	13
9/2/2025	PO024238	Acme Construction Supply	S4731411.001	DEWALT DCS374B20V MAX DEEP-CUT FULL-SIZE LARGECORDLESS BANDS/	359.00	13
9/2/2025	PO024238	Acme Construction Supply	S4731411.001	DEWALT DCS378B 20V MAX XR 3-1/4" CUT MID-SIZEDCORDLESS BANDSAW	349.00	13
9/2/2025	PO023816	Bigfoot Construction Supply	98844-1	PTW30254 PERFORMANCE 1/2' RATCHETING WRENCH	13.37	13
9/2/2025	PO023816	Bigfoot Construction Supply	98844-1	PTW30255 PERFORMANCE 9/16' RATCHETING WRENCH	14.07	13
9/8/2025	PO023816	Bigfoot Construction Supply	98343-2	SHOCKWAVE 5/16-18 IMPACT RATED DRILL TAP BIT	54.87	13
9/23/2025	PO024209	Bigfoot Construction Supply	98445-2	2-1/2 HOLESAW BI METAL	25.64	14
9/24/2025	PO027083	Bigfoot Construction Supply	99684-1	ALBION B1 10OZ CARTRIDGE GUN 7:1 NO DRIP	20.56	14
10/8/2025	PO028592	Bigfoot Construction Supply	100391-1	MK ZWEP3518W MK BANDSAWE BLADE 35-3/8 18 3PK	50.54	14
10/13/2025	PO028592	Bigfoot Construction Supply	100512-1	BATESS IN 1 5 IN 1 SCRAPER TOOL	35.85	14
10/17/2025	PO029548	Acme Construction Supply	S4778979.001	FLIP UTILITY KNIFE WITH BLADES	63.88	15
10/17/2025	PO029548	Acme Construction Supply	S4778979.001	50PC. UTILITY KNIFE BLADES	12.97	15
10/17/2025	PO029548	Acme Construction Supply	S4778979.001	9/16" X 12" HOLLOW SHAFT NUT RUNNER	79.70	15
10/17/2025	PO029548	Acme Construction Supply	S4778979.001	FINE POINT BLACK INKZALL PERMANENT	47.52	15
10/17/2025	PO029548	Acme Construction Supply	S4778979.001	FILE 8" HALF ROUND BASTARD	259.20	15
10/17/2025	PO029548	Acme Construction Supply	S4778979.001	DEBURRING TOOL POCKET PENCIL REAMER	179.40	15
1/12/2026	PO036872	Home Depot	956491	MAKITA 3/8" KEYLESS CHUCK DRIVER	40.97	17
2/18/2025	PO012234	Bigfoot Construction Supply	93374-1	NIAGRA BOTTLE WATER 16.9 FL OZ 24PK	17.97	7
2/18/2025	PO012234	Bigfoot Construction Supply	93374-1	3MIL BLACK CONTRACTOR BAGS 32PK	24.95	7
2/18/2025	PO012234	Bigfoot Construction Supply	93374-1	KITCHEN GARBAGE BAG 32/BX	30.03	7
2/18/2025	PO012234	Bigfoot Construction Supply	93374-1	KITCHEN PAPERT TOWEL ROLLL 30PK	5.31	7
2/18/2025	PO012234	Bigfoot Construction Supply	93374-1	PAPER PLATE l00PER PACK	39.90	7
2/18/2025	PO012234	Bigfoot Construction Supply	93374-1	PAPER BOWL 56 PACK	21.50	7
2/18/2025	PO012234	Bigfoot Construction Supply	93374-1	CUTLERY ASSORTED CUTLERY SET	17.99	7
4/1/2025	PO014446	Bigfoot Construction Supply	94523-1	BOTTLE WATER	17.34	8
4/2/2025	PO018199	Bigfoot Construction Supply	96092-1	FOLDING CHAIR FOLDING CHAIR STEEL FRAME	143.07	9
4/2/2025	PO018199	Bigfoot Construction Supply	96092-1	FOLDING TABLE 6 PLASTIC TABLE	179.96	9
4/10/2025	PO016234	Bigfoot Construction Supply	95189-1	BUCKET LID 2G 2 GALLON BUCKET LID ONLY	125.64	9
4/30/2025	PO016234	Bigfoot Construction Supply	95189-1	BUCKET 5G 5 GALLON PLASTIC BUCKET EMPTY	305.64	9
5/16/2025	PO018842	Bigfoot Construction Supply	96342-2	5 GALLON PLASTIC BUCKET	169.80	10
5/16/2025	PO018842	Bigfoot Construction Supply	96342-2	5 GALLON BUCKET LID	66.20	10
6/3/2025	PO019790	Bigfoot Construction Supply	96631-1	NIAGRA BOTTLE WATER 16.9 FL OZ	35.94	10
6/3/2025	PO019790	Bigfoot Construction Supply	96631-1	BLACK SHARPIE FINE POINT	20.05	10
6/3/2025	PO019790	Bigfoot Construction Supply	96631-1	IDEAL MARKER BLACK 12/CS	68.77	10
6/3/2025	PO019790	Bigfoot Construction Supply	96631-1	SOFT KNEES 5050 14X21" KNEEL	85.10	10
6/3/2025	PO019790	Bigfoot Construction Supply	96631-1	DRY ERASE KIT	10.35	10
6/3/2025	PO019790	Bigfoot Construction Supply	96631-1	7 GALLON TRASH CAN	25.58	10
6/3/2025	PO019790	Bigfoot Construction Supply	96631-1	KITCHEN GARBAGE BAG	30.03	10

Appendix B – "MATERIAL" Questioned Transactions (Cont.)

Date	Purchase order	Vendor name	Vendor invoice number	Description	Total cost amount	PA
6/3/2025	PO019790	Bigfoot Construction Supply	96631-1	ANGLE HOUSE BROOM	15.37	10
6/3/2025	PO019790	Bigfoot Construction Supply	96631-1	HAND WIPE SCRUBS	41.90	10
6/3/2025	PO019790	Bigfoot Construction Supply	96631-1	3M N95 DUST MASK WITH VALVE	27.35	10
6/10/2025	PO020574	Johnstone Supply-Tacoma	S101090684.001	W69-752 RT600D DYNA WIPES WATERLESS	25.32	10
6/10/2025	PO020574	Johnstone Supply-Tacoma	S101090684.001	W69-514 2337X GLOVE NITRILE XL	18.72	10
6/16/2025	PO019790	Bigfoot Construction Supply	96631-2	24 X 36" WHITE BOARD	35.00	10
7/1/2025	PO022806	Bigfoot Construction Supply	97794-1	HARD HAT HEAD LAMP RECHARGABLE	316.00	11
7/1/2025	PO022806	Bigfoot Construction Supply	97794-1	MEDIUM ROAST ORGANIC K-CUP	49.00	11
7/1/2025	PO022806	Bigfoot Construction Supply	97794-1	NIAGRA BOTTLE WATER 16.9 FL OZ BOTTLES 24 PER CASE 84 CASES PER PAL	35.94	11
7/17/2025	PO025569	Bigfoot Construction Supply	99044-2	BUCKET WIPES	195.00	11
7/17/2025	PO026099	Bigfoot Construction Supply	99349-1	SWIFFER STARTER KIT	47.98	12
7/17/2025	PO026099	Bigfoot Construction Supply	99349-1	SWIFFER 003700077198	43.90	12
7/17/2025	PO026099	Bigfoot Construction Supply	99349-1	COFFEE MATE .38OZ	32.00	12
7/17/2025	PO026099	Bigfoot Construction Supply	99349-1	PENCIL SHARPENER	11.98	12
7/17/2025	PO026099	Bigfoot Construction Supply	99349-2	22 OZ. PLASTIC SPRAY BOTTLE	11.14	12
7/17/2025	PO026099	Bigfoot Construction Supply	99349-2	NIAGRA BOTTLE WATER 16.9 FL OZ	35.94	12
7/17/2025	PO026099	Bigfoot Construction Supply	99349-2	SUGAR IN THE RAW	21.98	12
7/18/2025	PO025569	Bigfoot Construction Supply	99044-1	72 WIPES PER BUCKET6 BUCKETS PER CASE	125.70	11
7/25/2025	PO022248	Acme Construction Supply	S4711341.006	ENERGIZER EN91-24AA (24-PACK) INDUSTRIAL ALKALINEBATTERIES	32.46	12
7/31/2025	PO022248	Acme Construction Supply	S4730925.001	ENCORE 201859WHITE PLASTIC BUCKET 1-GALLON	10.78	12
7/31/2025	PO022248	Acme Construction Supply	S4730925.001	KRAFT GG468WHITE PLASTIC BUCKET 5 GALLON PAIL	17.72	12
7/31/2025	PO022248	Acme Construction Supply	S4730925.001	ENERGIZER EN92-24AAA (24-PACK) INDUSTRIAL ALKALINEBATTERIES	97.38	12
8/22/2025	PO026231	Acme Construction Supply	S4754385.001	CLEANSING DISINFECTING WIPES LEMONSCENTED 75-COUNT CANISTER !	71.92	13
8/22/2025	PO026231	Acme Construction Supply	S4754385.001	WHITE TERRY CLOTH BAR WIPERS 5LB.BOX STRIPED 100% TURKISH TOWEL	83.40	13
8/22/2025	PO025118	Acme Construction Supply	S4737923.004	FIRST-AID-ONLY 91138	201.12	13
8/29/2025	PO024209	Bigfoot Construction Supply	98445-1	3MIL BLACK CONTRACTOR BAGS 32 BAGS PER BOX	24.95	13
8/29/2025	PO024209	Bigfoot Construction Supply	98445-1	NIAGRA BOTTLE WATER 16.9 FL OZ BOTTLES 24 PER CASE 84 CASES PER PAL	35.94	13
9/2/2025	PO024238	Acme Construction Supply	S4731411.001	ENERGIZER HDBIN32EBHEADLAMP LED FLASHLIGHT	39.38	13
9/24/2025	PO027083	Bigfoot Construction Supply	99684-1	GARBAGE BAGS RTP325030-32 3MIL BLACK CONTRACTOR BAGS 32/BOX	49.90	14
10/8/2025	PO028592	Bigfoot Construction Supply	100391-1	BOTTLE WATER NIAGRA BOTTLE WATER 16.9 FL OZ	35.94	14
10/8/2025	PO028592	Bigfoot Construction Supply	100391-1	BUFFALO RAG 25 BT 25# BOX BAR TOWEL RAGS 12054	118.00	14
10/8/2025	PO028592	Bigfoot Construction Supply	100391-1	COFFEE MATE .3802 .38 OZ. FRENCH VANILLA CREAMER	16.80	14
10/8/2025	PO028592	Bigfoot Construction Supply	100391-1	COFFEMATE CREAMER .380C IC IRISH CREAM COFFE CREAMER	16.80	14
10/13/2025	PO028592	Bigfoot Construction Supply	100512-1	SQWENCHER 060099-SL STRAWBERRY LEMONADE KWIKSTI	71.00	14
10/13/2025	PO028592	Bigfoot Construction Supply	100512-1	SQWENCHER 060100-OR ORANGE KWIK STI	71.00	14
10/15/2025	PO029949	Bigfoot Construction Supply	100750-1	NIAGRA BOTTLE WATER 16.9 FL OZ	35.94	14
10/15/2025	PO029949	Bigfoot Construction Supply	100778-1	MEDIUM ROAST ORGANIC	92.60	14
10/15/2025	PO029949	Bigfoot Construction Supply	100778-1	HOT CUP / SLEEVE	39.96	14
10/17/2025	PO029548	Acme Construction Supply	S4778979.001	AA (24-PACK) INDUSTRIAL ALKALINE	64.92	15
10/17/2025	PO029548	Acme Construction Supply	S4778979.001	AAA (24-PACK) INDUSTRIAL ALKALINE	64.92	15
10/20/2025	PO030448	Acme Construction Supply	S4790751.001	SR5226 RESPIRATOR CLEANING WIPES[250/BX]Pn: 282442	189.04	15
10/21/2025	PO031693	Bigfoot Construction Supply	101664-1	BOTTLE WATER NIAGRA BOTTLE WATER 16.9 FL OZ	41.94	15
1/10/2025	-	-	-	GALVANIZED COIL 26GA X 5.394"W CSA G90	129.89	6
1/10/2025	-	-	-	24 GA (0236 MIN) X 60" GR33 G90 GALVANIZED COIL	131.02	6
1/10/2025	-	-	-	GALVANIZED COIL 26GA X 5.394"W CSA G90	17.77	6
1/10/2025	-	-	-	22 GA (0236 MIN) X 60" GR33 G90 GALVANIZED COIL	95.83	6
1/10/2025	-	-	-	WARD J-FLANGE HEAVY J-CONNECT	70.80	6
1/10/2025	-	-	-	WARD J-CORNER HEAVY 200/BOX	73.93	6
1/10/2025	-	-	-	WARD SUPERSEAL DUCT SEALER W/FIBER GRAY 1 GALLON	17.88	6
1/10/2025	-	-	-	DYMONIC FC GRAY SEALANT 10.1oz CARTRIDGE	236.10	6
1/10/2025	-	-	-	WARD GASKET TAPE BUTYL 30FT ROLL 25RL/CS	112.46	6
1/10/2025	-	-	-	GALVANIZED SHEET 20GA 48X120"	5.71	6
1/10/2025	-	-	-	GALVANIZED SHEET 24GA 48X120"	90.20	6
1/10/2025	-	-	-	HARD ROLLED SQUARE BAR 3/8" X 20'L	4.85	6
1/10/2025	-	-	-	WARD J-FLANGE HEAVY J-CONNECT	26.55	6
1/10/2025	-	-	-	WARD J-CORNER HEAVY 200/BOX	14.79	6
1/10/2025	-	-	-	DURO DYNE EZFS EZ CORNER TDF STACKABLE 250/BOX	25.56	6
1/10/2025	-	-	-	WARD CLEAT-STANDING S LOCK 22GA 1"X10LF	18.99	6
1/10/2025	-	-	-	WARD CLEAT-DRIVE- 24GA	6.30	6
1/10/2025	-	-	-	CONDUIT 1/2" EMT	4.85	6
1/10/2025	-	-	-	JM LINACOUSTIC DUCT LINER 1"X60"X100' - 500SF/RL	61.08	6

Appendix B – “MATERIAL” Questioned Transactions (Cont.)

Date	Purchase order	Vendor name	Vendor invoice number	Description	Total cost amount	PA
1/10/2025	-	-	-	H-102 FLT TWIST KNOB HANDLE BEARING COMBO 200/BX	2.83	6
1/10/2025	-	-	-	ROSSI B-SNAP SNAP-IN BEARING 3/8"	0.50	6
1/10/2025	-	-	-	DAMPER DISC 14" STACKABLE	8.88	6
1/10/2025	-	-	-	DYMONIC FC GRAY SEALANT 10.1oz CARTRIDGE	31.48	6
1/10/2025	-	-	-	GRIPNAIL WELD PINS #107 FOR 1" LINER	9.08	6
1/10/2025	-	-	-	GALVANIZED SHEET 22GA 48X120"	28.20	6
1/10/2025	-	-	-	GALVANIZED SHEET 24GA 48X120"	159.90	6
1/10/2025	-	-	-	WARD J-FLANGE HEAVY J-CONNECT	35.40	6
1/10/2025	-	-	-	WARD J-CORNER HEAVY 200/BOX	20.70	6
1/10/2025	-	-	-	DURO DYNE EZFS EZ CORNER TDF STACKABLE 250/BOX	51.11	6
1/10/2025	-	-	-	WARD CLEAT-STANDING S LOCK 22GA 1"X10LF	37.99	6
1/10/2025	-	-	-	WARD CLEAT-DRIVE- 24GA	12.60	6
1/10/2025	-	-	-	JM LINACOUSTIC DUCT LINER 1"X60"X100' - 500SF/RL	159.75	6
1/10/2025	-	-	-	GRIPNAIL WELD PINS #107 FOR 1" LINER	23.76	6
1/10/2025	-	-	-	GALVANIZED SHEET 22GA 48X120"	122.20	6
1/10/2025	-	-	-	DURO DYNE EZFS EZ CORNER TDF STACKABLE 250/BOX	8.52	6
1/10/2025	-	-	-	JM LINACOUSTIC DUCT LINER 1"X60"X100' - 500SF/RL	108.07	6
1/10/2025	-	-	-	GRIPNAIL WELD PINS #107 FOR 1" LINER	16.07	6
1/10/2025	-	-	-	GALVANIZED SHEET 18GA 48X120" SPECIALTY	56.58	6
1/17/2025	-	-	-	GALVANIZED SHEET 24GA 48X120"	24.60	6
1/17/2025	-	-	-	DURO DYNE EZFS EZ CORNER TDF STACKABLE 250/BOX	3.33	6
1/17/2025	-	-	-	GALVANIZED SHEET 20GA 48X120"	32.47	6
1/17/2025	-	-	-	WARD CLEAT-HEMMED/FLAT S-CLEAT 26GA	17.80	6
1/17/2025	-	-	-	GALVANIZED SHEET 12GA 48X120" SPECIALTY	3.03	6
1/17/2025	-	-	-	WARD PUNCHED FIRE DAMPER ANGLE 16GA X 1-1/2 X 1-1/2"	16.45	6
1/24/2025	-	-	-	GALVANIZED SHEET 24GA 48X120"	139.40	6
1/24/2025	-	-	-	WARD J-FLANGE HEAVY J-CONNECT	26.55	6
1/24/2025	-	-	-	WARD J-CORNER HEAVY 200/BOX	11.74	6
1/24/2025	-	-	-	DURO DYNE EZFS EZ CORNER TDF STACKABLE 250/BOX	54.06	6
1/24/2025	-	-	-	JM LINACOUSTIC DUCT LINER RC-IG W/ADHSV 1 X 59" X 100'- 491.	90.41	6