



AUDITOR GENERAL

DAVID W. MARTIN, CPA



TALLAHASSEE COMMUNITY COLLEGE

Operational Audit

SUMMARY

Our operational audit for the fiscal year ended June 30, 2007, disclosed the following:

Finding No. 1: College funds totaling \$467,357.48 were spent on behalf of a nonprofit organization for which the College was providing fiscal agent services; however, the organization had not reimbursed the College this amount.

Finding No. 2: Tangible personal property not located during annual physical inventories had not always been timely located or reported as missing to the Campus Police Department.

Finding No. 3: The College did not always timely record property purchases in the College's property records.

Finding No. 4: The College's procedures for documenting student Florida residency status, and assessing student tuition charges, needed improvement.

Finding No. 5: The College needed to improve its procedures relating to rental of College facilities to ensure timely and accurate billing of lease payments.

Finding No. 6: College payments to a law firm and child care provider were made without benefit of written contractual agreements.

Finding No. 7: The College did not adequately monitor cellular telephone (cell phone) usage, and did not report to the Internal Revenue Service the value of cell phone services as income for employees who did not make an adequate accounting of the business use of their assigned cell phones.

Finding No. 8: College agreements with construction contractors did not contain the required penalty clause, and the College did not sufficiently document and monitor the reasonableness of construction manager entity's costs.

BACKGROUND

The College is under the general direction and control of the Florida Department of Education, Division of Community Colleges, and is governed by State law and State Board of Education rules. A district board of trustees governs and operates the College. The Board constitutes a corporation and is composed of seven members appointed by the Governor and confirmed by the Senate. The Board members who served during the audit period are listed in Appendix A of this report.

Tallahassee Community College has its main campus in Tallahassee, Florida. Additionally, credit and noncredit classes are offered in public schools and other locations throughout Leon, Gadsden, and Wakulla counties. The College reported enrollment of 11,345 full-time equivalent students for the 2006-07 fiscal year.

The President of the College during the audit period was Dr. William D. Law, Jr.

The results of our financial audit of the College for the fiscal year ended June 30, 2007, will be presented in a separate report.

An examination of expenditures of Federal awards administered by the College under contract and grant agreements to finance specific programs and projects is included in our Statewide audit of Federal awards administered by the State of Florida. The results of that audit, for the fiscal year ended June 30, 2007, are presented in a separate report.

FINDINGS AND RECOMMENDATIONS

Finding No. 1: Fiscal Agent Services

The College provides fiscal agent services to various governmental and nonprofit organizations. Such services range from personnel services, such as hiring and paying employees who performed work for these organizations, to paying expenses such as travel, rent, and office supplies for the organization. In exchange for these services, the College receives service fees ranging up to 5 percent of amounts specified in the written contractual agreements. For the 2006-07 fiscal year, the College received compensation totaling approximately \$220,000 from 31 such fiscal agent agreements and approximately \$10.2 million for the organizations' expenses paid by the College.

Our review of contractual arrangements for 5 of the 31 organizations disclosed that they were properly administered by the College; however, as discussed below, our review disclosed deficiencies in the College's administration of similar agreements related to fiscal agent services provided to one of these organizations in a prior fiscal year.

During the 2006-07 fiscal year, the College wrote off accounts receivables of \$260,084.52 representing amounts due from a nonprofit organization to which the College had provided fiscal agent services during the 2004-05 fiscal year. The College entered into two written agreements with this organization for the 2004-05 fiscal year, which provided that the College was to receive \$418,175 (1/12 of that amount was to be received each month). This included service fees of \$19,913 and \$398,262 in reimbursements for the organization's expenses to be paid by the College.

During the 2004-05 fiscal year, after the College had received payments totaling \$158,090.48 from the organization for payment of expenses pursuant to the two 2004-05 fiscal year agreements, the organization stopped making such payments to the College (no payments were received after January 10, 2005). College records indicated that, although College personnel knew the College was no longer receiving these monthly payments to cover expenses, they decided to continue to pay the organization's expenses from College funds based on the organization's promise that it would pay additional amounts due the College upon receipt of legislative or private funding. The College continued paying the organization's expenses through April 2005.

Service fees and the organization's expenses paid from College funds for the 2004-05 fiscal year for which the College was not paid by the organization totaled \$467,357.48. Of this amount, \$260,084.52 was written off as uncollectible representing the difference between the total amount the College was supposed to be paid for service fees and expense reimbursements pursuant to the 2004-05 fiscal year agreements (\$418,175) and the amount the organization paid the College for 2004-05 fiscal year (\$158,090.48). The remaining \$207,272.96 represents the amount of the organization's expenses paid from College funds that was not covered by the two agreements and which the College has not been reimbursed by the organization.

College personnel had several meetings with the organization regarding amounts owed to the College; however, the College had not, of record, taken legal action to collect the amount due from the organization. Furthermore, it was not apparent from College records how using College funds to pay \$207,272.96 of the organization's expenses for which the organization was not contractually obligated to pay the College served an authorized College purpose.

Recommendation: The College should ensure that amounts due from other organizations pursuant to fiscal agent service agreements are promptly collected. The College should also take appropriate action to collect the \$467,357.48 due from the organization.

Finding No. 2: Tangible Personal Property Inventory

To ensure proper accountability and safeguarding of tangible personal property, the College should annually make a complete physical inventory of property, compare the results of the inventory with the property records, and reconcile all discrepancies. Property items not located during the inventory process should be promptly reported to the assigned custodians and a thorough investigation made, and items not located after investigation should be reported to the appropriate law enforcement agency unless there is evidence that the items were not stolen.

The College's Board of Trustee Policy No. 6Hx27:09-11 states that property discovered to be missing, lost, or stolen must be reported to the Campus Police Department. College procedures established to implement the Policy included referring property items determined to be missing during physical inventories to the applicable property custodians who were asked to make an extended effort to locate the missing items, and filing police reports with the Campus Police Department only after College personnel determined that there was reason to believe that the property had been stolen.

The College reported approximately \$21 million of tangible personal property at June 30, 2007. According to College records, 446 property items determined to be missing during the 2006-07 or prior fiscal year physical inventories, with acquisition costs

totaling approximately \$1.2 million¹, remained unlocated and unresolved as of June 30, 2007. A similar finding was noted in our report No. 2006-137. Missing items included computers and printers, video equipment, lab equipment, and furniture. Subsequently, College personnel investigated and resolved 62 of these missing property items; however, as of April 2008, 384 of these items had not been located, reported to the Campus Police Department, or otherwise adequately resolved, as follows:

- Of the 384 items, 144 were determined to be missing during the 2006-07 fiscal year physical inventory. According to College personnel, these items, which consisted mainly of audio visual and computer equipment, had not been reported to the Campus Police Department because they were still trying to locate the items or did not believe the items to have been stolen. However, the basis for concluding that the items had not been stolen (i.e., evidence that the items had been located or disposed of for a legitimate purpose) was not evident from College records.
- The other 240 items were initially determined to be missing during prior fiscal year physical inventories and were included in a list of surplus property items approved for removal from the property records by the College Board of Trustees on November 19, 2007. However, there was no apparent basis for

¹ The total net depreciated value of these items at June 30, 2007, was \$137,012. However, for most of these items, the net depreciated value at the time they were determined to be missing during a physical inventory was not readily available. Also, the fair market value of these items was not readily available. The net depreciated value of a property item is not necessarily representative of the fair market value of the item. For many of these property items, the fair market value may have been significantly more than the net depreciated value at June 30, 2007.

declaring these items to be surplus and not reporting them to the Campus Police Department since College personnel had been unable to locate the items and had not, of record, documented a basis for concluding that the items had not been stolen.

When property items determined to be missing by physical inventories are not timely located or reported to the appropriate law enforcement agency, the College's ability to locate or recover the missing property is limited.

Recommendation: The College should continue to improve its efforts to locate missing property items. If such items remain missing after reasonable attempts to locate the items, the College should report them as missing to the Campus Police Department in accordance with College policy or document why they were not reported.

Finding No. 3: Tangible Personal Property Records

The College purchased approximately \$878,000 of tangible personal property during the 2006-07 fiscal year. Several of these items were not timely recorded in the College's property records. Similar findings were noted in our report Nos. 2006-137 and 2004-008. Our test of 10 property items purchased during the 2006-07 fiscal year costing \$245,011 disclosed that they were recorded in the property records from 86 to 164 days after the dates the items were received. These items consisted mainly of motor vehicles and computer and lab equipment. College personnel indicated that, although not immediately recorded in the property records, the College controls new equipment by assigning and affixing property control numbers. However, failure to timely record property in the College's property records impacts the reconciliation of the physical inventory with the property records and decreases the reliability of College records and reports.

Recommendation: The College should ensure timely recording of property purchases in its property records.

Finding No. 4: Student Fees - Residency Status

Section 1009.21, Florida Statutes, states, in part, that students shall be classified as residents or nonresidents for the purpose of assessing tuition. According to this Statute, to qualify as a resident for tuition purposes, legal residence must be established and maintained in Florida for at least 12 months immediately prior to qualification. Section 1009.21(3), Florida Statutes, provides that a college may require individuals to provide evidence related to legal residence and its duration to obtain the residency tuition rate. The College tuition rate for nonresidents is significantly higher than the rate for residents.

State Board of Education (SBE) Rule 6A-10.044, Florida Administrative Code, establishes the documentation requirements for determining the classification or reclassification of students as Florida residents for tuition purposes. This Rule provides that student applicants who meet certain criteria shall be initially classified as "All Florida" residents for tuition purposes. Students not meeting all the criteria must be evaluated to determine residency status. Such students must provide at least two of the items that are acceptable for purposes of documenting Florida residency as prescribed by SBE Rule 6A-10.044(7), Florida Administrative Code.

Our tests of College records for students evaluated to determine residency status (i.e., not initially classified as "All Florida") included 10 students classified as Florida residents that had out-of-state permanent addresses and 10 returning students that were reclassified as Florida residents. Of these, we noted the following:

- For 4 students, the College did not obtain copies of one or more of the items of documentation required by SBE Rule 6A-10.044, Florida Administrative Code, to

evidence Florida residency until subsequent to audit inquiry.

- For 3 students, the College incorrectly assessed the Florida resident tuition rate, which resulted in \$16,583 in lost revenue through June 30, 2007. According to College personnel, these errors were due to insufficient employee training and computer programming.

Absent obtaining and retaining appropriate documentation evidencing Florida residency status, proper employee training, and effective computer systems, College personnel may not be properly assessing and collecting nonresident tuition.

Recommendation: The College should ensure that required documentation is obtained and retained evidencing Florida residency, that employees are properly trained, and that computer systems are effective for purposes of assessing and collecting student tuition.

Finding No. 5: Rental of College Facilities

The College entered into 25 lease agreements with several organizations (private businesses and nonprofit organizations) for rental of College facilities and space during the 2006-07 fiscal year. From those leases, the College was to receive rent payments.

As similarly noted in our report No. 2006-137, our review of 5 of the 25 lease agreements disclosed that the College’s procedures relating to rental of College facilities needed improvement, as follows:

- For one lessee tested, the College did not bill the lessee for office space rent at the contracted price. Although the monthly rent charge was \$3,948.30 per the 2006-07 fiscal year written contract, the College billed the lessee \$2,836.84 a month, resulting in \$13,337.52 of under-billings. College personnel indicated that this occurred because the rent had been increased effective

for the 2006-07 fiscal year to reflect changes in rented square footage, but College personnel responsible for billing were not made aware of the rent increase.

- For another lessee tested, the College, in addition to the monthly rent charge specified in the 2006-07 fiscal year written contract, billed the lessee for contracted classes at \$90 per credit hour; however, the written contract did not provide for such a charge. College personnel indicated that the College and the lessee had mutually agreed that the lessee would pay such charges, but that the written contract terms had not been revised to reflect these terms.
- For both of these lessees, the College billed on a quarterly basis for classroom fees, student access fees, telephone, printing and postage costs; however, the lessees were not always billed in a timely manner. For one of these, a Spring 2005 bill for \$705 was sent to the lessee on September 7, 2007, a Spring 2006 bill for \$1,815 was sent June 11, 2007, and a Fall 2006 bill for \$48,780 was sent July 24, 2007. For the other lessee, a Fall 2006 bill for \$2,145 was sent December 6, 2007.

Recommendation: The College should enhance its procedures to ensure the timely and accurate billing of rent payments, and ensure that written contracts accurately reflect payment terms. The College should also take appropriate action to collect the \$13,337.52 due from the lessee pursuant to the written contract.

Finding No. 6: Procurement of Services

The College entered into numerous contracts during the 2006-07 fiscal year for the procurement of services. As a matter of good business practice, contractual arrangements for services should be evidenced by written agreements embodying all

provisions and conditions of the procurement of such services. As similarly noted in our report No. 2006-137, our review of payments made pursuant to three contractual service arrangements disclosed two such arrangements in which contractors received payments for services that were not made pursuant to a written agreement. Specifically, we noted the following:

- A law firm received payments totaling \$69,855 during the 2006-07 fiscal year without benefit of a current written agreement. A previous written agreement with the firm had expired June 30, 2003, and the law firm continued to provide services for the College although there was no subsequent written and approved renewal of this agreement by College management or the College Board of Trustees.
- A child care provider received \$77,543 during the 2006-07 fiscal year. In response to our inquiry, College personnel provided a January 6, 2003, through July 5, 2004, agreement and a May 2, 2007, through May 1, 2008, agreement. However, the child care provider provided services for the College during the period July 6, 2004, through May 1, 2007, without benefit of a written and approved agreement.

Absent written agreements specifying the nature of the services to be performed and the amount of compensation to be provided, the College has limited assurance that it is receiving services to which it is entitled at agreed upon prices and may be limited in its ability to require satisfactory performance in the event of a dispute.

Recommendation: The College should ensure that contractual arrangements are evidenced by written agreements embodying all provisions and conditions of the contractual arrangements.

Finding No. 7: Cellular Telephones

The College provided cellular telephones (cell phones) to certain employees for use in performing their duties. According to College records, 101 employees were assigned cell phones as of June 30, 2007, and costs associated with these cell phones totaled approximately \$45,000 during the 2006-07 fiscal year.

Pursuant to United States Treasury Regulations, Section 1.274-5T(e), an employee may not exclude from gross income any amount of the value of property listed in Section 280F(d)(4) of the Internal Revenue Code (IRC), unless the employee substantiates the amount of the exclusion in accordance with the requirements of Section 274(d) IRC, and United States Treasury Regulations, Section 1.274-5T. Because cell phones are listed property, their use is subject to the substantiation requirements of the United States Treasury Regulations, Section 1.274-5T(b)(6), which require employees to submit records to the College to establish the amount, date, place, and business purpose for each business call (a notated copy of the employee's cell phone bill is an example of such a record). In addition, employers must review the employee's cell phone bills to confirm the cell phone was only used for business.

The College had not developed and implemented policies and procedures requiring employees to submit records substantiating the business use of cell phones, or requiring that cell phone bills be routinely checked to determine whether any personal calls were made. In the absence of demonstrated compliance with substantiation requirements prescribed by United States Treasury Regulations, the College is required to report to the Internal Revenue Service (IRS) the value of cell phone services provided to employees. The College did not, for employees provided cell phones, include the value of cell phone services in the income reported on the employees' W-2 forms for the 2006 or 2007 calendar years.

Recommendation: The College should establish and implement policies and procedures requiring employees to document the business use of cell phones and requiring supervisory reviews of cell phone bills to confirm that cell phones were used for business. In the absence of such policies and procedures, the College should report appropriate amounts in income to the IRS in accordance with Federal requirements.

Finding No. 8: Construction Administration

Pursuant to Section 1013.45(1), Florida Statutes, a community college may contract for the construction or renovation of facilities with a construction management entity (CME). Under the CME process, the CME is responsible for all scheduling and coordination in both design and construction phases and is generally responsible for the successful, timely, and economical completion of the construction project. The College's Facilities, Planning & Construction Department is responsible for construction administration, which includes monitoring activities and reviewing documentation submitted by a CME in support of payment requests.

The College entered into guaranteed maximum price (GMP) contracts with two CMEs for the construction of the \$.8 million North Parking Lot and the \$12.8 million Parking Garage. Under GMP contracts, the College may realize cost savings if the cost of construction is less than the GMP. As such, a GMP contract requires close monitoring by College personnel to ensure that the cost of construction is adequately documented.

Our review of the College's administration of these two projects disclosed the following:

- Contrary to Section 1013.47(1), Florida Statutes, written contracts with the CMEs for both projects did not contain a provision for penalties to be paid by the CME should the CME fail to comply with the terms of the contract.

- For the North Parking Lot project, the College did not require the CME to provide documentation supporting \$16,514 of charges for bonding and liability insurance. A similar finding was noted in our report No. 2006-137.

As part of the GMP contracts, provisions were included for personnel costs. In addition to direct salary costs, such costs included an indirect salary cost element commonly referred to as the labor burden. Components of the labor burden typically include social security and Medicare taxes; unemployment taxes; medical insurance; workers' compensation; and may additionally include various company paid benefits, such as vacation and sick leave pay, depending on the method chosen to recover those benefits. Our review disclosed the following regarding the reasonableness and propriety of the labor burden rates applied by the CMEs:

- The College paid CMEs for labor burden costs at the rate of 81.93 percent of direct personnel costs for field office personnel for the North Parking Lot project, and at the rate of 88.87 percent of direct personnel costs for general staff for the Parking Garage project. Although requested, we were not provided documentation evidencing that the College had evaluated the reasonableness of the labor burden cost rates, including obtaining documentation of actual cost data from the CMEs demonstrating that the CMEs were being compensated for only those components that the CMEs provide to their employees. In the absence of documentation supporting the reasonableness of the negotiated labor burden rates, there is an increased risk that amounts derived using the CMEs' labor burden rates may exceed the actual indirect personnel costs incurred by the CMEs.

- The labor burden rates applied by the CMEs did not appear to be reasonable based on available statistical data from the United States Department of Labor, Bureau of Labor Statistics (BLS). A comparison of the labor burden rate applied by the CMEs with the BLS national average rate at the time the contract was executed is shown in the following table:

Labor Burden Rate Component (Percent)			
	BLS	CM North Parking Lot	CM Parking Garage
Insurance	10.76	16.91	6.32
Retirement	7.36	10.00	4.00
Compensated Absences	5.10	11.54	9.60
Other	5.85 (a)	28.90 (b)	55.71 (c)
Legally Required Benefits:			
Social Security and Medicare	8.31	7.65	7.65
Federal Unemployment Insurance	0.15	0.80	0.80
State Unemployment Insurance	1.30	2.29	0.95
Workers' Compensation	6.91	3.84	3.84
Total	45.74	81.93	88.87

Notes: (a) Paid leave and supplemental pay.
 (b) Bonus, trucks, job liability insurance, and inflation.
 (c) Auto allowance, home office overhead, and inflation.

The labor burden costs recovered in the contract for the North Parking Lot (100 percent complete) and the North Parking Garage (approximately 35 percent complete) exceeded the labor burden costs as derived from the BLS rates by approximately \$11,500 and \$40,700, respectively.

Effectively negotiating the components of labor burden costs and monitoring their application is essential to ensuring that potential cost savings are realized under GMP contracts.

Recommendation: The College should ensure that the contracts with construction managers provide for the imposition of penalties should the contractor fail to comply with the terms of the contract. The College should also require that sufficient documentation be provided in support of CME payment requests, and document its determination of the reasonableness of the components of the labor burden costs.

OBJECTIVES, SCOPE, AND METHODOLOGY

The objectives of this operational audit were to obtain an understanding and make overall judgments as to whether College internal controls promoted and encouraged compliance with applicable laws, rules, regulations, contracts, and grant agreements; the economic and efficient operation of the College; the reliability of financial records and reports; and the safeguarding of assets. Specifically, we reviewed receivable collections, property records, construction projects, student residency status, student activity and services fees and other selected revenues, selected expenditures and contractual arrangements, and employee compensation for the fiscal year ended June 30, 2007.

This audit was conducted in accordance with applicable Generally Accepted Government Auditing Standards.

PRIOR AUDIT FINDINGS

As part of our current audit, we determined that the College had taken corrective actions for findings included in our report No. 2006-137, except as noted in finding Nos. 2, 3, 5, 6, and 8 of this report.

AUTHORITY

Pursuant to the provisions of Section 11.45, Florida Statutes, I have directed that this report be prepared to present the results of our operational audit.



David W. Martin, CPA
Auditor General

MANAGEMENT RESPONSE

The College's response is included as Appendix B of this report.

This audit was coordinated by Kathy Stich, CPA, and supervised by Richard E. Givens, CPA. Please address inquiries regarding this report to Ted J. Sauerbeck, CPA, Audit Director, via e-mail at tedsauerbeck@aud.state.fl.us or by telephone at (850) 487-4468.

This report and other audit reports prepared by the Auditor General can be obtained on our Web site at www.myflorida.com/audgen; by telephone at (850) 487-9024; or by mail at G74 Claude Pepper Building, 111 West Madison Street, Tallahassee, Florida 32399-1450.

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APPENDIX A
TALLAHASSEE COMMUNITY COLLEGE'S BOARD OF TRUSTEES

Members of the College's Board of Trustees who served during the 2006-07 fiscal year are listed below:

<u>Board Member</u>	<u>County</u>
Lyn Stanfield, Chair from 8-21-06, Vice-Chair to 8-20-06	Leon
Dr. Kimberle Moon, Vice-Chair from 8-21-06	Gadsden
Kathy Shirah, Chair to 8-20-06	Wakulla
Dr. Alisa Ghazvini to 1-10-07 (1)	Leon
Bill Hebrock	Leon
Eugene Lamb from 6-18-07 (1)	Gadsden
Frank S. Messersmith	Wakulla
Karen Moore from 6-18-07 (2)	Leon

- Notes: (1) Position vacant from January 11, 2007, to June 17, 2007.
(2) Position vacant from July 1, 2006, to June 17, 2007.

APPENDIX B
MANAGEMENT RESPONSE



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June 6, 2008

David W. Martin, CPA
Auditor General
111 West Madison Street
Tallahassee, Florida 32399-1450

Re: Operational Audit Response

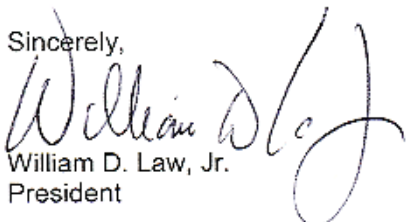
Dear Mr. Martin:

In response to the preliminary and tentative audit findings related to your operational audit of Tallahassee Community College for the fiscal year ended June 30, 2007, we submit the attached statements of explanation and corrective action.

We wish to express our appreciation to your staff for the professional and helpful manner in which they conducted the audit.

If I can be of further assistance, please do not hesitate to call me.

Sincerely,


William D. Law, Jr.
President

Cc: Board Members

Finding 1: Fiscal Agent Services

At the time the contract was being administered, the College had reason to believe that the incurred costs would be covered by a subsequent legislative appropriation. As soon as it became apparent that the appropriation would not be made, the College terminated the contract. The College's Board of Trustees reviewed this matter at its meeting of June 18, 2007, and agreed to write off \$260,084.52 of the debt. In the future, no payments will be made by the College on behalf of the grantor unless covered by written agreement and no payments will be made by the College on behalf of the grantor after the first overdue reimbursement without the express approval of the appropriate vice president.

Finding 2: Tangible Personal Property Inventory

As the College has experienced significant growth, the redeployment of computers and other equipment has greatly increased. The fact that the property records system has not been fully automated confounds the precise identification of the location of moved or surplus assets. New procedures have been developed to ensure an accurate count of property items, research and resolution of missing property items, and reconciliation with official property records. Timelines will be given to departments to resolve missing items, and proper disposition (e.g., police reports for missing property, and items separated for surplus property) will be identified and completed in a timely manner.

Finding 3: Tangible Personal Property Records

The College is implementing a procedure in which the Property Records Specialist will tag the item and enter the item in the official property records within one to three days of receipt of the item.

Finding 4: Residency Status

The College has revised residency classification procedures and increased the commitment to appropriately train all staff who deal with residency issues. Further, an employee has been identified to serve as the liaison for residency inquiries, guidelines, and request for reclassification. A reporting protocol system has been developed with assistance from the Information Technology Department to assess residency discrepancies.

Findings 5 and 6: Rental of College Facilities and Procurement of Services

Weekly meetings are now taking place to assure that all matters relating to rentals and procurement of services are handled in a timely manner. The new procedures assure that applicable personnel coordinate with each other to ensure that all written agreements are executed timely, agreement

provisions are complied with, billings are sent out timely, and reminder letters are sent to past due tenants.

Finding 7: Cellular Telephones

The Board of Trustees, on November 19, 2007, adopted a policy which requires that College-owned cell phones be used only for College business. This policy complies with the requirements of the Internal Revenue Service.

Finding 8: Construction Administration

The garage will be completed at a cost of approximately \$10,440 per space, which compares favorably with the cost of similar projects. We appreciate the recommendation and have taken immediate action to enhance our oversight of these contracts. The College has added a provision for penalties to the standard Construction Manager contract. We will monitor and enforce such penalties if contractors do not comply with the terms of the contract. The College will review labor burden percentages with future Construction Managers, using the Department of Labor statistics as a guide.