

CHAPTER 5
OVERVIEW OF ACCOUNTING FOR CONSTRUCTION COSTS; OTHER
S&A AND CONSTRUCTION-RELATED INFORMATION

5-1 **Purpose.**

a. This chapter provides construction managers with an overview of DOD, DA and USACE requirements for accounting and capitalization of military construction costs. It also discusses several S&A and construction-related items which do not fall within the scope of the other appendices.

b. The General Accounting Office and DOD require that the total costs of a construction project be accounted for and recorded in the owning service's real property records. This is to assure an accurate valuation of the facility(ies) after construction and/or other work has been completed. The Corps is required to provide this information to its customers at the end of a project, and in particular to military and other federal departments/agencies.

c. The total capital cost of construction reported in transfer documents shall consist of the costs of design and engineering, procurement, construction, S&A, DEH/BCE contributions, "unfunded costs", and any other costs recognizable as adding to the value of the facility(ies)/assets. Guidance on this subject is provided below. CERM-F is the source for detailed guidance and procedures relating to the actual accounting.

5-2. **Department of Defense/USACE Policy for Construction Accounting.**

a. Capitalization of construction costs.

(1) General. USACE has implemented the concept of capitalization, promulgated by DOD, which recognizes that the total costs incurred for the construction or acquisition of a capital asset are to be recorded and included in the capital asset records of the organization which manages it. Not included are costs incurred in the advance planning, programming and budget phases. These are considered as expenses and are generally paid by operating funds, e.g., military O&M. Nearly all costs above district level, e.g., MSC and HQUSACE, are considered as an expense, in contrast to those for Districts, whose efforts/costs are considered as project investments. The accounting and related work/cost breakdown structure are the responsibility of the Project Manager, Technical Manager and Resource Management Officer.

b. The concept of investment (capitalization) versus expense has shaped the S&A costing policy. It is the foundation upon which the military flat-rate system was developed, as well as the Civil Works and "Support for Others" at-cost S&A charges. The military flat-rate system levels construction-related costs throughout the Corps so as to minimize significant gains or losses to the centralized military S&A accounts.

c. After project completion and transfer of assets to the customer/sponsor, the project cost is to be removed from the Corps "Work in Progress" General Ledger Account to prevent double-counting of assets. Immediately upon completion of both the initial and final DD Form 1354 transfer documents, Construction Division will assure copies are provided to the Resource Management Office to allow timely updating of the general ledger accounts.

(2) Military projects and military "Support for Others"

(a) DOD Manual 7220.9-M, Chapter 77, provides basic guidelines on accounting for military construction. Additional guidance is provided in AR 37-1, Army Accounting and Fund Control, Chapter 18, "Fixed Assets". Corps Districts which perform work for Army, Reserve and National Guard military installations also need to refer to Technical Note 405-80-02, Executive Summary of Real Property, issued by the Army Center for Public Works (CECPW-FM-A). This document summarizes real property management responsibilities, including accounting for it and preparation of DD Form 1354, Transfer and Acceptance of Military Real Property. ER 415-345-38, Transfer and Warranties, provides detailed procedures concerning transfer of completed construction.

(b) Upon completion of a project, the responsible District shall report all costs incurred during design, procurement and construction to the military customer. This is generally done at the time of transfer, with DD Form 1354 and other appropriate documentation. Often, interim and final versions are prepared, in which case the final must contain the complete costs. Costs of claims, some of which may not be settled until a few years after completion of construction, must also be added to the total. Every time a DD Form 1354 is provided to the customer/owner, the appropriate District Resource Management Office shall be notified. This is necessary to ensure prompt updating of the "Work in Progress" General Ledger.

(3) Civil Works and non-military "Support for Others." The total costs of completed Civil Works projects must be accounted for in a similar process to that for military projects. Normally, planning and predesign costs are not considered project costs, even when funded from the same appropriation used to construct the

project. Even those projects which are Federally operated and maintained typically involve cost-shared construction. An example is navigation projects, which use Federal funds and either non-Federal funds or Inland Waterway Trust Fund receipts.

(a) Upon completion of such projects, an accurate accounting of pre-construction engineering and design, construction, engineering and design during construction (EDC) and contract S&A costs incurred by the Corps must be furnished to the non-Federal sponsor. This requirement is included in the project cooperation agreement executed by the Department of the Army and the non-Federal sponsor, which obligates the latter to pay a percentage share of these costs. For those inland navigation projects which are cost-shared with the Inland Waterways Trust Fund, no formal agreement is executed for construction; the Inland Waterways Users' Board, acting in lieu of a non-Federal sponsor, is kept informed of project costs as work proceeds.

(b) Planning and predesign costs for most types of Civil Works projects are also typically cost-shared with a non-Federal sponsor, but at a different percentage share. Although they are generally not capitalized, such costs must be accurately accounted for, since they are subject to a separate, formal cost-sharing agreement.

(c) For non-military "Support for Others" activities, which may or may not involve construction, a similar written agreement with the non-military funding agency specifies the acceptable method of accumulating costs.

b. Construction costs for military projects; application of S&A. DOD 7220.9-M, Chapter 77, describes the most frequent types of construction-related costs paid from the appropriation for a military project. The appropriate costs should appear in the project's Current Working Estimate (CWE), and be updated as necessary (see also paragraph 4). The construction-related costs include, but are not limited to:

(1) All materials, supplies, contract labor and other services applicable to construction (usually combined in a contract). (All are subject to S&A charge.)

(2) All items of installed capital equipment not otherwise funded by MILCON. (Paid by sponsor's or installation's O&M or RDTE account.)

(3) Transportation costs applicable to materials, supplies, installed capital-type equipment, and government-owned equipment. (subject to S&A)

(4) Direct labor costs of construction apart from the primary construction contract, including construction units composed of foreign nationals, but excluding U.S. military labor. (S&A costs are applied if Corps personnel perform any of the S&A functions listed in the chapter "Supervision and Administration Activities and Cost Accounts.")

(5) That portion of installation overhead or support costs that can be identified as representing additional costs that would not have been incurred, were it not for the project (not subject to S&A).

(6) Administrative Military Interdepartmental Purchase Requests (MIPR) that are solely for the purpose of transferring project funds for utilities used during construction will not be subject to the S&A flat rate.

(7) S&A costs - those related to the primary MILCON contract are charged to project construction funds through the appropriate Supervision and Administration account. S&A costs incurred for other construction-related activities, e.g., an O&M repair project, are generally charged to the project customer's/sponsor's or military installation O&M funds.

(8) Costs applicable to the operation and maintenance of government-owned equipment are chargeable as a construction cost, to be computed on an hourly rate (not subject to S&A, unless USACE personnel perform related S&A functions, e.g., supervision, coordination, training).

(9) Unfunded costs - effort, materials and supplies used in support of construction which are paid from appropriations other than Military Construction (MILCON); and which are not reimbursed by appropriations used for other types of military construction work, e.g., OMA, OMAF, RDTE. Additional information, including how to charge S&A, is provided further in this section.

c. Efforts financed by other than Military Construction (MILCON) appropriations. Quite often, a major project financed by MILCON funds is combined into a contract with one or more projects or work items paid from different funds, which are provided by the sponsor or installation. Also, many military projects constructed by the Corps are financed entirely with non-MILCON funds. Construction managers need to be familiar with the following information when dealing with military clients. For MILCON

projects, DD Form 1391, Military Construction Project Data summarizes items paid by these funds. Most of the items below may be financed either with MILCON or non-MILCON funds. Specific details and guidelines not covered below should be referred to AR 415-15 and to the Project Manager (PM). The actual charging of S&A is performed by CERM, in coordination with guidelines provided by the PM and Chief of Construction.

(1) Non-MILCON, non-family housing military projects. When the funded cost of a project is less than the amount specified by law (currently \$300,000), the project is to be financed from applicable Operation and Maintenance (O&M) appropriations; Research, Development, Test and Evaluation (RDT&E) appropriations; or Defense Base Operations Fund (DBOF) as appropriate.

(2) Equipment and funding.

(a) Movable equipment - these are items of equipment that are movable in nature and are not affixed as an integral part of a facility. This equipment includes all types of production, processing, technical, training, servicing, and RDT&E equipment.

(b) Detachable equipment - any operational equipment for which installation mountings and connections are provided in the building design, and which is detachable without damage to the building or equipment.

(c) Both types of equipment may be financed from applicable O&M, RDT&E procurement, DBOF or MILCON appropriations, as appropriate. Cost of alterations to install or relocate this equipment shall be financed from the same appropriations.

(3) Examples of such alterations are:

(a) Prefabricated screens, partitions, platforms, and shielding for electromagnetic radiating services.

(b) Temporary removal and re-installation of portions of existing walls, roofs, utility systems, and appurtenances to permit installation of equipment.

(c) Secondary utility work necessary to connect equipment to existing utilities services within a facility between the primary entry or source of utilities into the structure, and the equipment to be served.

(4) Family housing - all such projects shall be funded from applicable family housing appropriations. Guidance concerning family housing efforts is addressed in DOD Instruction 7150.6 and DOD 7110.1-M, as well as applicable Air Force, Navy, Army regulations, e.g., AR 210-50.

(5) Pollution abatement, energy conservation, and occupational safety and health activities - Projects for these activities may be funded from other than military construction appropriations, when the cost of a project:

(a) Is funded from the proceed of sales of recyclable material in accordance with 10 USC 2577, DOD Instruction 7310.1, and applicable Army, Air Force or Navy regulations.

(b) Does not exceed 50 per cent of the amount established by law as a maximum amount for minor construction projects.

(6) "Unfunded" costs are effort, materials and supplies used in support of military construction work which are financed by appropriations other than military construction (MILCON); and which are not reimbursed by the other appropriations available for military construction work described previously. However, such costs must be capitalized as part of the value of the real property investment. If the Corps incurs S&A costs related to "unfunded costs", the installation or project customer/sponsor should be charged, typically using appropriations such as O&M, RDT&E, procurement or DBOF funds.

(a) Examples of common unfunded costs:

- Costs financed from military personnel appropriations, e.g., salaries (troop labor).

- Costs applicable to the depreciation of Government-owned equipment in accordance with hourly rates determined per Chapter 26 of DOD 7220.9-M, section "Asset Use Charge". See also applicable USACE publications, e.g., EP 1110-1 series "Construction Equipment Ownership and Operating Expense Schedule".

- Gifts from private parties.

- "Free Issue" materials supplies, and items of installed capital equipment that have been obtained specifically for a project on a non-reimbursable basis, either as excess distributions from another Military Department or Defense Agency, or as excess distributions from other Government agencies. Items obtained from Property Disposal Offices are typical examples of "free issue".

(b) For S&A purposes, unfunded costs are treated as:

- Subject to S&A charge (payable from sponsor's/ installation's operating funds) e.g., "Free-Issue" equipment, which requires S&A effort or costs for handling, storage and installation.

- Not subject to S&A charge, e.g., the salaries of military personnel contributing to a project. However, S&A effort to supervise, inspect and train construction troops is chargeable. Actual S&A costs are to be reimbursed, unless agreed to as flat-rate S&A prior to construction. This is due to the considerable effort usually expended in connection with troop construction.

(7) S&A for government-furnished equipment and materials (GFE/GFM) paid from other than project funds (non-MILCON). GFE/GFM are equipment and materials purchased by the government and provided for use in construction or HTRW removal/remedial actions, e.g., gravel, soil, piping, mechanical or electrical equipment, etc. They are used frequently in military construction projects, occasionally in Civil Works projects, and may be required for some DERP, EPA or other HTRW projects. The cost of handling and installation of GFE/GFM is normally included in a contract to pay the constructor for his efforts. Some or all GFE/GFM used in a project may be provided by the sponsor or user, who procured it with non-project funds. Since S&A effort by the Corps is usually required for inspection, storage, handling, accounting, etc. the Corps collects additional S&A from the customer. This is separate from the S&A charges for the primary project, and is based on a fixed rate or at actual cost, as agreed upon prior to construction.

5-3. **Construction Work Agreement.** "Primary Facility/Support Facility", "Permanent Features", "Placement" - these are general terms used to denote the performance of construction, whether accomplished by a contractor, government labor or other means.

a. The definitions of "construction" and "construction project", especially for military applications, are provided in the "Glossary". They are based on those in ARs 415-15 and 415-35.

b. A "construction contract" for purposes of this regulation is a formal, legally binding agreement between the Corps and a private firm, whereby in return for payment, the firm agrees to furnish all materials, equipment, labor, supervision and other necessary services in order to provide specified end products/facilities, and/or accomplish specified other work. From a financial point of view, a contract can be treated as an account in which all the contractor's costs are consolidated, usually at a fixed price - the contract amount. The contractor's quality

ER 415-1-16
30 Sep 93

control (QC) is included in this amount; the government's quality assurance (QA) is charged as part of S&A. S&A is applied either as a percentage of the contract amount or as actual costs added to the contract amount.

c. "Placement" is the term used to measure the amount of work accomplished at a given point in time, either actual value or as a percentage of the total. It is primarily used to compare actual to scheduled construction accomplishment, and to compute a contractor's earnings.

d. The terms "Primary Facility/Support Facility" are taken from the DD Form 1391 programming document for MILCON projects. These are the Principal item(s) of construction, e.g., a building and supporting features, e.g., exterior utilities. They are also often referred to as "permanent features".

e. Although they are not formal contracts, construction Projects accomplished by government forces, and managed or coordinated by the Corps are treated similarly to formal contracts. Certain costs which are paid by non-project funds are not included in the total cost, e.g., military labor or government-furnished materials provided by non-project funds. These costs are to be capitalized upon completion of a project, but do not count toward the actual project budget/appropriation. However, they generally are counted for purposes of calculating S&A earnings. The details vary according to the circumstances of the project, and need to be determined by the project manager prior to contract award.

f. Contracts with private sector firms for removal or other remediation of Hazardous, Toxic, or Radiological Wastes (HTRW) are also treated as construction contracts, when they require S&A effort by USACE personnel. A considerable amount of HTRW work is performed with service/delivery-order contracts. Costs for S&A effort are assessed and collected in the same manner as for other "at-cost" projects. If the work is performed by government forces, e.g., DEH or BCE personnel, the labor, materials and other related costs are dealt with as if they were a contract. In those cases where the work is funded/contracted by another agency without Corps involvement in the design or procurement process, but whose execution the Corps manages, the Corps charges S&A at cost or at a rate determined prior to start of work. Some EPA Superfund projects, as well as some work for states and local governments are accomplished in this way.

g. In military construction, the appropriation(s) which fund a contract usually determine the S&A rate(s) which may be charged. Several different types of appropriations may be included in a particular contract. Each must be tracked separately due to "color of money" considerations and because different S&A rates usually apply.

h. Determination to charge S&A for construction-related efforts. Various "other" or "unfunded" costs which may not appear in a CWE are sometimes subject to S&A charges, and not subject at other times. If they are in the scope of work in the DD Form 1391, S&A charges apply; if not, charges apply if there is a need to expend S&A effort in connection with them. In questionable cases, the decision as to when S&A should be charged for non-MILCON items usually lies with the MSC Commander, and should be delegated to the District Commander. In deciding whether to charge S&A for minor efforts, consideration needs to be given to the factors surrounding a project, including good customer relations.

5-4. Current Working Estimate (CWE): Policy for Construction Projects.

a . References.

(1) AR 415-17, Cost Estimating for Military Programs.

(2) ER 415-345-42, Cost Estimating and Reserves for Contingencies.

b. The Current Working Estimate (CWE) is the official value used to establish total project cost using construction funds (design funds not included). The following procedure and guidance is written primarily for MILCON projects; however, it is to be used for other military-funded projects to the extent applicable. Prior to construction contract award, the district reported CWE is the most current estimate of the full scope of the Military Construction Authorization Act (MILCON) line item as defined by the DD Form 1391.

(1) After construction contract award the district reported CWE is the most current estimate of the construction contract amount and associated markups defined below. This is especially critical since it defines how much the project construction cost estimate is over or under the line item amount specified in congressional committee reports or the Program Amount (PA).

(2) The breakouts required below are for utilization in computer applications, for requesting funds from HQUSACE, and for reporting project progress. Breakouts for the ENG Form 3086 processor, the Microcomputer Aided Cost Engineer System (MCACES) and other CEMP-EC cost estimating require further breakdown and are not addressed here.

c. Life cycle primary breakdown. All district and operating major subordinate command (MSC) CWE calculations for the project life cycle shall conform to the breakdown as listed on the DD Form 1391, i.e.,

(1) estimated cost of construction (ECC) at award.

(a) Primary facility.

(b) Support facilities.

(2) Contingency. A fixed percentage of the ECC.

(3) Supervision and Administration (S&A) or Construction Management (CM). Use the S&A flat-rate (6% CONUS and 6.5% OCONUS) percent of the sum of the ECC and contingency.

d. Further breakdown requirements. CWE breakdown is required, in order of breakdown, for the following:

(1) Funding source. Each funding source must have its own breakdown. After the primary funding source line items are listed and totaled for the CWE to be compared with the PA, other funds should then be broken down using the same breakdown rules as the primary appropriation.

(2) Contract. Under a funding source, separate breakdowns shall be used if there exists more than one construction contract, and if a construction contract is to be funded with more than one appropriation, the contract costs would appear more than once, under each funding source breakdown.

(3) Contract (phase and/or part). Further, there may be special considerations for which a third level of breakdown is required. Under each funding source would be each contract; and under each contract would be a breakdown by location, incremental construction and/or incremental funding.

e. Breakdown at bid opening and thereafter. As a minimum the three categories of the CWE (see "c(1)" through "c(3)" above) shall be broken down into the categories displayed below if the category exists for the contract.

(1) Award ECC has four (4) possible categories:

(a) Contract cost. Actual award contract cost for all funds to be paid to the primary contractor and the primary contractor's subordinates whether obligated at time of award or to be obligated later. Line item breakouts include the following:

- Primary facility
- Support facilities.
- Additive/optional/alternate bid items. Use the full scope package combination prior to award. Include known changes (contract options to be exercised with construction funds after award of the basic contract). After award combine into "(a)(1)" and "(a)(2)" above.
- Turnkey design. Actual Award Architect-Engineer (A-E) cost (for "Design-Construct" or "Turnkey" only).

(b) Support contracts. Actual Award Costs For Support Contracts (Work Orders) Anticipated at Time of Award. List separately. Some examples include the following: government furnished material (GFM), training, start-up operations, interim O&M, preparation of training and operation manuals, utility contracts, local fees, permits, taxes, surveys, soil borings, lab reports, and unusual specialized testing required for construction.

(c) Support direct labor. Estimated labor costs (subject to S&A) at time of award. This shall include all in-house (labor) costs (not covered under S&A or EDC) that are subject to S&A anticipated at time of the award of the primary construction contract to include the following:

- Preparation of as-built drawings (if not part of the primary construction contract). Normally a standard rate of 0.2% of the award contract cost shall be used for this line item.

- Turnkey design review. Estimated cost for reviews of the preparation of plans and specifications for "Design-Construct" or "Turnkey" type contracts. This includes all review and approvals after contract award to include initial design, redesigns, design extensions, shop drawings, and any other contractor submittals.

- Other. Support labor (for other items not identified above) must be separately identified.

(d) Service orders (labor, other organizations) list separately. Some examples include the following; telephone connections, Director of Engineering and Housing (DEH) or Base Civil Engineer (BCE) work (DA Form 2544s, MIPRS, etc.), and life support housing and support facilities (OCONUS).

(2) Contingency (Total to Date). This is the amount (normally at award, five (5) percent of the award ECC) to fund unforeseen changes such as criteria and customer changes, differing site conditions, quantity variations, and design deficiencies. All line items funded from the Contingency shall be listed under this category separate from the above categories. After award this value may increase or decrease from the preaward established rate, depending upon circumstances. The Closeout Contingency shall list only funds expended out of the Contingency with all unexpended funds being returned to HQUSACE or the customer. After award, the Contingency shall be broken down into the categories displayed below if the category exists.

(a) Contingency committed, obligated or expended. These are funds set up to pay for pending/actual changes and are subtracted from the below Contingency categories.

(b) Contingency Uncommitted (normally 2% of the ECC at award). These are funds under the control of the district that have not yet been committed; funds that have been de-obligated as the result of credit modifications; or credits from actions like A-E liability or claim payments.

(c) Management Reserve (normally 3% of the ECC at award). The Management Reserve may or may not be allocated to the district at the time of award. These funds are normally controlled by the customer or HQUSACE and shall not be used without specific approval of the customer or HQUSACE as appropriate.

(d) Contingency Unfunded. Funds required to replace the Contingency account, should anticipated changes be in excess of the total Contingency to date established by HQUSACE or the customer.

(3) Award Engineering during Construction (EDC). This category (also considered as support direct labor, but not subject to S&A) shall include preparation and review of plans and specifications for changes to the awarded contract and for review of engineering and design effort by the construction contractor where construction specifications are expressed in terms of performance standards with certain design details left to the

contractor. Normally a standard rate of 0.5% of the ECC plus Contingency shall be used for this line item. EDC shall be excluded from S&A and Contingency rate calculation. All increases to the Award EDC shall be listed under the Contingency breakout.

(4) S&A This is the S&A flat rate times the ECC plus Contingency. This represents a standard Corps rate for the management of all activities associated with project construction funds (ECC and Contingency). After award the amount needs to be divided out between the rate on district controlled funds and uncontrolled funds i.e., Management Reserve. A-E construction Support Services (Title II) and S&A support contract costs shall be included as part of this flat rate. The closeout S&A shall be the S&A flat-rate times the expended ECC.

f. Amounts not part of the CWE.

(1) Other appropriations listed on the DD Form 1391 but not included in the PA. Some examples are equipment funded with OPA, OMAR kitchen equipment, or O&MA funds used for rehabilitation in conjunction with the MILCON line item. These funds shall be displayed separately using the same MILCON CWE format.

(2) Currency devaluation. The dollar value difference is corrected using a "currency devaluation account". The devaluation account provides (and collects) extra funds from many projects and an accounting of any one project is not reflected in the CWE.

(3) S&A actual costs above or below the S&A flat-rate. Actual S&A costs are charged against a Corps centralized bulk account. At project financial closeout S&A shall be reported as the cumulative Award ECC and Expended Total Contingency to Date.

(4) S&A from other appropriations. S&A costs charged to other fund sources shall be per agreement with the customer and may either be at flat rate or "at cost".

(5) Planning and Design (P&D) funds. For Design-Construct, P&D funds shall only be used to prepare the Request for Proposal (RFP) package for construction contract award. (Note; P&D funds shall be included on DD Form 1354, "Transfer and Acceptance of Military Real Property".)

(6) Other. Any funds paid to obtain a complete and useable facility such as real estate, bonds, insurance, relocations, military troop labor, etc., whether paid by state or other sources which are not part of the project line item appropriation.

30 Sep 93

g. Policy changes.

(1) EDC and administrative MIPRs shall be the only "Other Direct Without S&A" for MILCON. Award ECC and Total Contingency To Date shall be used to calculate the S&A Flat-rate in accordance with the DD Form 1391 breakdown.

(2) Life cycle use of DD Form 1391 breakdown format. All MILCON (Air Force, Army, DOD, etc.,) programs shall be calculated in accordance with the breakdown format on the DD Form 1391. For example when calculating the Award CWE, S&A shall be taken on top of all amounts (except EDC and admin MIPRs) provided at award.

(3) Postaward CWE. The postaward CWE shall be reported as the total of all funds received, reserved elsewhere and required above the established contingency.

(4) Postaward Contingency. Funds utilized from the Contingency account shall be displayed only under the Contingency category. For example, the current contract cost shall not be displayed together under one category. Instead the award contract cost shall be displayed under the Award ECC and all contract changes, work order changes, support direct labor changes (including EDC), and service order changes shall be displayed under the Contingency, Total To Date.

h. Example. In order to clarify how line items are combined or divided, the following life cycle example maintains the same life cycle CWE and displays only one contract. Funds retained at HQ or controlled by the customer are in bold print.

EXAMPLE: Detailed MILCON CWE Breakdown

	<u>CWE (CODES A, B & C)</u>	<u>CWE AT AWARD</u>	<u>CWE AFTER AWARD</u>
AWARD ECC -----\/-----\/-----\/			
AWARD PRIMARY.	\$2,600,000	\$2,446,265	\$2,531,265
AWARD SUPPORT	\$ 400,000	\$ 431,694	\$ 446,694
AWARD OPTION 1	\$ 100,000		
AS-BUILTS (0.2% of Award)	\$ 5,956		\$ 5,956
AWARD SERV ORDERS TELEPHONE INSTL	\$ 2,000		\$ 2,000
AWARD ECC TOTAL.	\$3,000,000	\$2,985,915	\$2,985,915
CONTINGENCY, TOTAL TO DATE -----\/-----\/-----\/			
CONTINGENCY OBLG PRIM CONTR MODS			\$ 51,000
EDC ADDITIONAL.			\$ 5,000
MANAGEMENT RESERVE TRANSFER TO DISTR CNTRL PEND MODS.			\$ 30,000
TOTAL KNOWN CHANGES			\$ 86,000
CONTINGENCY UNCMT \$ 150,000 (5%-ECC)	\$ 59,718 (2%-ECC)		\$ 3,718
DISTRICT CONTRLLD	\$3,045,633		\$3,075,633
MANAGEMENT RSRV	\$ 89,578 (3%-ECC)		\$ 59,578
CONTINGENCY TTL.. \$ 150,000	\$ 149,296		\$ 149,296
(AWRD ECC+CONT). \$3,150,000	\$3,135,211		\$3,135,211
AWARD EDC -----\/-----\/-----\/			
(0.5% AWRD ECC+CONT)	\$ 15,676		\$ 15,676
S&A -----\/-----\/-----\/			
6% DISTR CNTRLD (AWRD ECC+CONT). \$ 189,000	\$ 182,738		\$ 184,538
MANAGEMENT RESERVE (MA)	\$ 5,375 (6%-MR)		\$ 3,575
S&A TOTAL	\$ 189,000	\$ 188,113	\$ 188,113
DIST CNTRL CWE	\$3,244,047		\$3,275,847
HQCWE	\$3,339,000	\$3,339,000	\$3,339,000