

# Construction Audit And Cost Control Institute

www.CAACCI.org

A Two Day In-Person Seminar

## What All Owners Need to Know About Managing and Auditing Construction Contracts


*“Effective Auditing of Construction Activity”*

March 4-5, 2025 | Las Vegas, NV | Earn 16 CPE

### WHO SHOULD ATTEND

Owner organization representatives who are involved with auditing or administering construction activity including:

- Owner’s construction management executives, project managers, contract administrators, construction contract accountants, procurement representatives and/or legal representatives
- Owner’s construction audit representatives (internal audit and/or external consultants)
- Third-party program management representatives



Managing construction activity effectively for large complex projects requires experience and special knowledge.

Attendees will learn some of the most important ways to improve their construction contracting methodologies to mitigate some of the significant mistakes Owner organizations often make which can cost them millions of dollars in excess construction costs.

**Construction Audit &  
Cost Control Institute, Inc.**

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PUBLIC OFFERINGS  
ANNUAL WORKSHOPS  
IN-HOUSE TRAINING (VIRTUAL OR IN-PERSON)

# Seminar Overview

On many construction projects, hidden overcharges by prime contractors or subcontractors can easily total 1% or 2% of the project costs. In poorly controlled construction environments, fraud, waste and abuse contribute to even greater losses. By exploring overcharges – how they occur and how they may be identified and recovered, attendees learn the knowledge and skills needed to address this challenge. This practical, experience-based seminar provides attendees with the ability to look beyond their traditional role by providing them with insight on how to help their organizations bring construction projects in on-time, within budget, at the desired quality, and at a fair price.

**Prerequisite:** None

**Learning Level:** Basic

**Delivery Method:** Group Live

**Advance Preparation:** None

## TYPES OF CONTRACTS COVERED

The course will emphasize effective construction audit strategies and construction cost control techniques for projects involving the use of the following types of construction contracts:

- Cost plus FEE – Construction Manager at Risk- Guaranteed Maximum Price (GMP) contracts
- Cost plus FEE – Design-Build GMP contracts
- Cost plus FEE contracts with General Contractors (with or without a GMP)
- Cost Plus FEE contracts with major subcontractors/trade subcontracts (with or without a GMP)
- Lump sum and/or Unit price trade subcontracts or prime construction contracts

## COURSE OBJECTIVES

1. Owner's Project Managers will learn specific key control points that will increase their ability to manage the costs of their construction projects.
2. Owner's Construction Auditors will learn specific "how-to" techniques for conducting effective audits of their organization's construction activity.
3. Owner's Project Managers will learn how to effectively partner with their construction auditors to more effectively control the costs of their construction projects.
4. Issues to consider to help your organization avoid making costly mistakes when entering into construction contract agreements.
5. Key steps to ensuring the best value is received when the CM/GC contracts with subcontractors.
6. Critical process to ensure subcontractor change orders are fairly priced.
7. Process to control costs related to materials purchased by the Contractor.
8. How to structure your contract to ensure you do not overpay for contractor owned equipment.
9. Possible overcharges for third party equipment to watch out for.
10. How to avoid making excessive payments for Subguard® and/or Contractor Controlled Insurance Programs (CCIP).
11. Methods to effectively minimize the loopholes in contracts that create opportunity for contractors to realize excessive hidden profits.
12. Management/construction audit partnering strategies to ensure construction cost controls are working as anticipated to benefit the project.



# Registration Information

## Dates:

March 4-5, 2025

Bellagio Hotel – Las Vegas, NV

**Tuition:** \$1,395

Early Registration Discounts Available

## To Register Online:

[www.CAACCI.org](http://www.CAACCI.org)

## Recommended CPE Credits:

Participants are eligible to receive 16 CPE credits.

**Class Hours:** The 2-day seminar will start at 8:30 am and end at 4:30 pm each day



**Construction Audit & Cost Control Institute (CAACCI)** is registered with the National Association of State Boards of Accountancy (NASBA), as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: [www.nasbaregistry.org](http://www.nasbaregistry.org)

## TOPICS TO BE DISCUSSED INCLUDE:

1. Cost reimbursable pre-construction services versus Lump Sum payments for pre-construction services
2. Pre-established labor billing rates versus reimbursement of actual wages and verifiable labor burden
3. Lump sum general conditions versus cost reimbursable general conditions
4. Lump sum self-performed contractor work versus cost plus fee with GMP for self-performed contractor work
5. Converting GMP contracts to lump sum contracts
6. Supported payment applications versus percentage of completion payment applications
7. Pre-agreed labor burden percentages versus reimbursement for actual defined labor burden costs
8. Bonding both the prime contractor and the subcontractors
9. Subcontractor default insurance aka Subguard® versus conventional performance and payment bonds
10. Savings sharing clauses versus no savings sharing clauses
11. Worker's Compensation and General Liability Insurance – conventional insurance versus Contractor Controlled Insurance Programs (CCIP)
12. Worker's Compensation and General Liability Insurance – conventional insurance versus Owner Controlled Insurance Programs (OCIP)

## INSTRUCTORS

Rich Townsend is Co-Owner and Ashley Humphries is a Senior Construction Auditor at the consulting firm R. L. Townsend & Associates, LLC.

The firm provides construction audit and construction cost control advisory services to a wide variety of Owner organizations throughout the United States.

## FOR MORE INFORMATION

Including Course Outline, Venue, Instructor's Biographies, visit [www.CAACCI.org](http://www.CAACCI.org)

*For more information regarding refund, complaint and program cancellation policies, please contact our offices at [info@caacci.org](mailto:info@caacci.org)*

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Have Questions or Need Assistance? Call Ashley Humphries at (214) 551-4942 or Rich Townsend at (972) 679-6762

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