Capital Outlay Project Responsibility

🔵	KCCD Facilities Responsibility
🟨	College M&O Responsibility

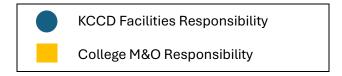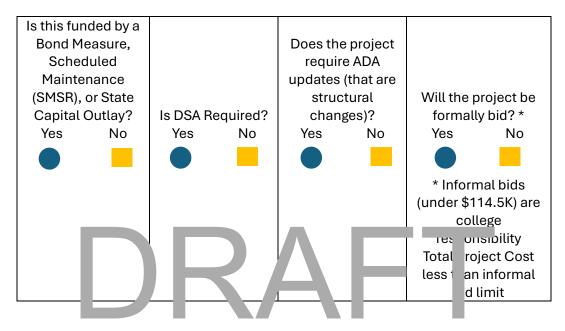| Is this funded by a Bond Measure, Scheduled Maintenance (SMSR), or State Capital Outlay?	Is DSA Required?	Does the project require ADA updates (that are structural changes)?	Will the project be formally bid? *
Yes No	Yes No	Yes No	Yes No
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			* Informal bids (under $114.5K) are college responsibility Total Project Cost less than informal bid limit

If any of the above items are YES, KCCD Facilities is responsible for the project.

The following items must be completed/prepared <u>by the responsible party</u> above:

- Contract preparation and submittal for Board of Trustees consent or approval, including change orders and Notice of Completions.
- Oversee the project from inception, completion, and close-out
    - For projects that are the responsibility of the College M&O Department, KCCD Facilities can be used as a resource as needed.
    - For college funded projects, the timeline of the project must be considered along with funding end dates, regardless of who is responsible.
- Register the project with Department of Industrial Relations (DIR)
- Retention – for any projects over $35K, we must hold 5% retention
    - This is regardless of whether it is a formal or informal bid.
    - Retention must be held from each invoice for the project, regardless of whether the vendor includes a line-item for retention on their invoice.
        - Retention does not apply to non-construction services such as architect, engineer, inspector, or testing.

Proposed 12/2024

- o Retention amounts must be tracked for audit purposes on the template provided by Business Services. This information must be provided to Business Services at the end of each fiscal year.
  - o Retention is paid 35 days after the Notice of Completion's recordation date
  - o Depending on the project, a journal to record the pre-payment of the retention MAY be an option on grants with an upcoming end date. It is, however, critical to work backwards from the payment of retention when developing a project timeline to avoid having a project that extends beyond the grant period.
- Notice of Completion must be filed with the appropriate county office. Confirmation of recording of Notice of Completion can be confirmed by receipt of recorded Notice of Completion from the county or verification on county website.
- Construction in Progress – if the project increases the value or extends the life of a KCCD asset, the project is considered "Construction in Progress". Each project will be tracked on the template provided by Business Services. This information must be updated regularly and provided to Business Services at the end of each fiscal year.
  - o To assist with this, a unique FOAPAL element should be identified for each project:
    - If KCCD Facilities Responsibility, a facilities organization code will be used, when possible. KCCD Facilities will notify all PPR signatories of the unique organization code.
      - If the project is college funded by a grant and a facilities organization code cannot be used, another unique FOAPAL element may be identified by the College Budget Office, when possible. The College Budget Office will notify all PPR signatories of the unique FOAPAL element.
    - If College M&O Responsibility, college may identify a unique element for each project (possibly activity code)
  - o KCCD Facilities and/or College M&O will be granted access to the funds and/or organization codes for projects for which they have responsibility.
- Management of financial activity including budget, purchase orders, and invoices.

Other items for consideration:

PPRs are used for all projects that KCCD Facilities is responsible for. Colleges may utilize the PPR process, if they choose to do so. For any project with a PPR, the project is added to Facilities Soft. A PPR can be beneficial to confirm the budget and scope of the project, especially when there are multiple contractors for the project.

- If a KCCD Facilities managed project is funded by a college FOAPAL, the Budget Office will be copied on the PPR (no signature required).
  - o BC – Somaly Boles
  - o CC – Lisa Couch
  - o PC – Karen Aguillon

For Business Services only:

As part of the audit preparation, Assistant Director Accounting may review the existing fixed asset Cognos report to identify any expenses in the 6100's and 6200's that are not funded from a 41 fund code or a Facilities organization code. These expenses should be included in a campus Construction in Progress document. The CIP document may contain other expenses (in other account codes) but all 6100's and 6200's must be included. This is just one way to try to ensure that these expenses are captured.

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