



# **Pleasanton Unified School District**

## **California Uniform Public Construction Cost Account Act (CUPCCAA)**

PUSD Board of Trustees

February 28, 2017



## California Bid Limits--in general

- \$88,300 limit for materials, equipment, supplies, non-construction services, repairs
- \$15,000 for public works projects
- Unless there is an exception in law/code



# California Bid Limits--in general

- The California Uniform Public Construction Cost Accounting Act (CUPCCAA) is an exception



## CUPCCAA allows:

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- Performance of public project work of up to \$45K with internal workforces if the agencies elect to follow the cost accounting procedures (force account) or by negotiated contract or purchase order
- Informal bidding for public projects between \$45K and \$175K
- Formal bidding for public projects of more than \$175K



# What is “Force Account”?

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- Refers to work performed on public projects using internal resources
- All costs must be included in the calculation
- Direct costs include labor, equipment, materials, supplies, and subcontracts



# What is “Force Account”?

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- Indirect costs include inspection, clerical, supervision, utilities, telephone, temporary fencing, etc.
- Overhead costs must be included at actual rate or 30% of direct costs
- Tracked using Standard Accounting Code Structure (SACS)



# Public projects include:

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- Construction
- Reconstruction
- Erection
- Alteration
- Renovation
- Improvement
- Demolition
- Repair
- Painting or repainting



# Public projects do not include:

- Routine, recurring, and usual work for the preservation or protection of any publicly owned or operated facility
- Minor repainting
- Resurfacing of less than one inch
- Landscape maintenance including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems
- Repairs less than the \$88,300 bid limit





# Benefits of CUPCCAA

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- Increased force account limits
- Informal bidding for projects between \$45K and \$175K (advertising not required)
- Reduces the number of formal bids
- Expedited contracting for smaller projects



# Steps to becoming a CUPCCAA District

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- Board must pass a resolution opting in to CUPCCAA
- Notify the State Controller of the election and forward a copy of the resolution
- Adopt informal bidding procedures
- Conform to all CUPCCAA requirements until opting out via resolution



## Other requirements:

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- Annual advertising and maintenance of list of contractors
- Prevailing wages and bonds still required
- Tracking of force account work
- No force account work over \$45K
- All departments are subject to the Act



# Example of informal bidding

(\$45K - \$175K)

- District has list of registered contractors
- District mails notice inviting bids at least 10 days before due date to contractors on list, trade journals, or both
- Bid notice need not include plans or drawings, unless required for bid response
- May be a job walk
- Authority to award may be delegated



# Repairs and Maintenance

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The District may opt to exclude repairs and maintenance from the CUPCCAA resolution

- If included—informal bids would need to occur for repairs and maintenance between \$45,001 and \$88,300
- If excluded—formal bidding would occur if over \$88,300



# Next Steps

(pending direction from the Board)

- Prepare a resolution for Board approval on March 14
- Prepare board policy and administrative regulations for CUPCCAA bidding and accounting procedures for a first reading on March 14 and approval on March 28



# Next Steps

(pending direction from the Board)

- Work with Fiscal Services to ensure account codes are set up to support CUPCCAA
- Advertise for vendors and compile list



# Additional Information

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The CUPCCAA policies and procedures manual is available from the State Controller's Office at:

[http://www.sco.ca.gov/Files-ARD-Local/CUCCAC Manual.pdf](http://www.sco.ca.gov/Files-ARD-Local/CUCCAC_Manual.pdf)