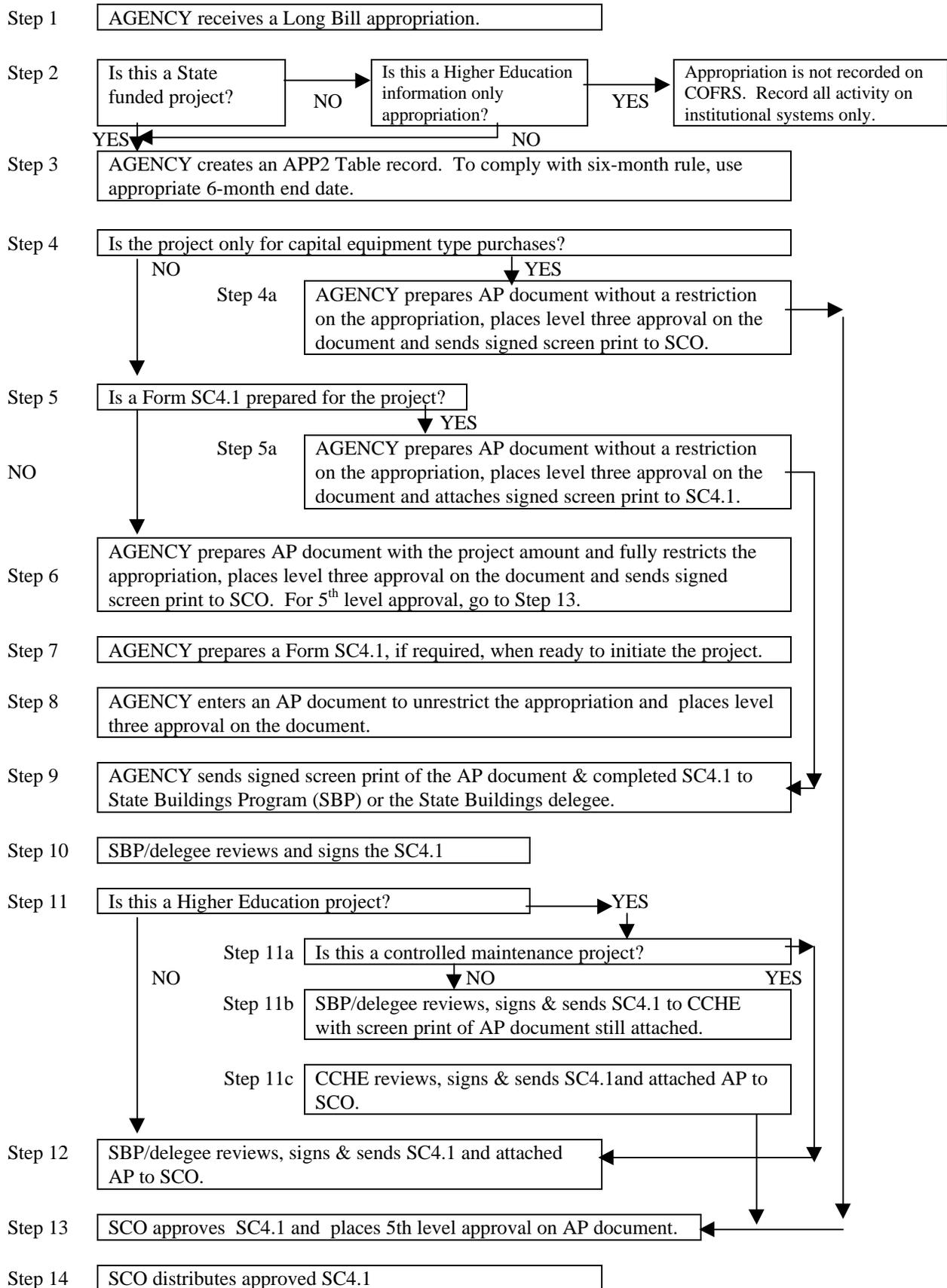


## *APPENDIX D*

### *Life Cycle of a Capital Construction Project*

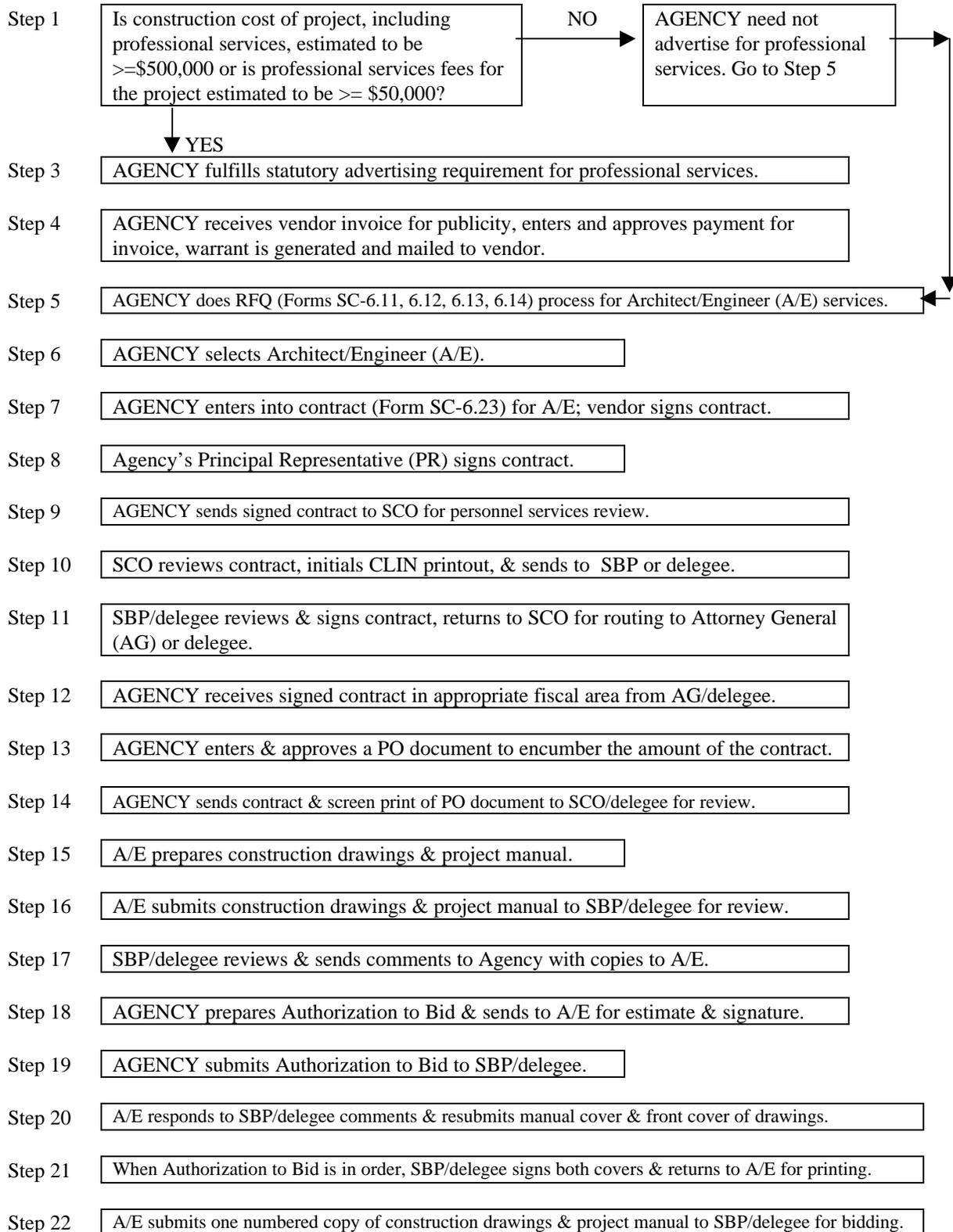
# Life Cycle of a Capital Construction Project

## A. Setting up a New Project



# Life Cycle of a Capital Construction Project

## B. Starting the Project



## *Life Cycle of a Capital Construction Project*

### B. Starting the Project (cont'd)

- Step 23 SBP/delegee contacts A/E for pertinent information, prepares & sends bid advertisement to Daily Journal & regional newspaper(s).
- Step 24 SBP/delegee opens bids at least 14 days after advertisement for bids appears.
- Step 25 SBP/delegee sends letter to Lowest Responsible Bid Recommendation & Notice of Award (Form SC-6.15) signed by SBP/delegee to Agency.
- Step 26 AGENCY signs & distributes Notice of Award.
- Step 27 SBP/delegee prepares contract & holds signing conference with contractor.
- Step 28 SBP/delegee receives bonds (Form SC-6.22 and/or 6.221), insurance (Form Sc-6.222), and Minority/Woman Business Enterprises (M/WBE) Compliance Report from the contractor at the conference.
- Step 29 SBP/delegee sends contract and M/WBE to Agency for approval & signature.
- Step 30 AGENCY enters & approves a COFRS PO document.
- Step 31 AGENCY returns contract and print screen of COFRS PO and M/WBE to SBP/delegee.
- Step 32 SBP/delegee signs contract & forwards three copies to the Attorney General/delegee for approval.
- Step 33 AG/delegee forwards signed contract to State Controller or the State Controller delegee.
- Step 34 State Controller/delegee returns executed contract to SBP/delegee.
- Step 35 SBP/delegee prepares packet of contract, bond and insurance information, M/WBE, and Notice to Proceed (Form SC-6.26), signs & sends to AGENCY Project Manager.
- Step 36 AGENCY Project Manager approves, dates & distributes Notice to Proceed.
- Step 37 Contractor must begin project within ten days of date stipulated on Notice to Proceed.

# *Life Cycle of a Capital Construction Project*

## C. Managing the Project: Contractor's Agreement

- Step 1 Contractor prepares pay application for portion of work completed and sends to A/E.
- Step 2 A/E reviews and approves invoice and sends to the AGENCY Project Manager/SBP/delegee
- Step 3 AGENCY Project Manager/SBP/delegee reviews pay application against contract & project documents & approves the invoice
- Step 4 AGENCY Project Manager may calculate retainage or may send invoice directly to appropriate AGENCY accounting office.
- AGENCY accounting office calculates retainage on invoice if Project Manager did not.
- Step 6 AGENCY accounting office enters COFRS PV document for net payment due to vendor. PV document must reference the outstanding PO for the amount by which the contract is to be reduced.
- Step 7 AGENCY repeats this process until each contract is completely liquidated.
- Step 8 Go to "G. Closing the Project."

## C. Managing the Project: Architect/Engineer's Agreement

- Step 1 A/E prepares pay application for portion of work completed and sends to AGENCY Project Manager/SBP/delegee.
- Step 2 AGENCY Project Manager/SBP/delegee reviews pay application against contract & project documents & approves the invoice.
- Step 3 AGENCY Project Manager/SBP/delegee sends pay application to appropriate AGENCY accounting office.
- Step 4 AGENCY accounting office enters COFRS PV document for net payment due to vendor. PV document must reference the outstanding PO for the amount by which the contract is to be reduced.
- Step 5 AGENCY repeats this process until each contract is completely liquidated.
- Step 6 Go to "G. Closing the Project."

## *Life Cycle of a Capital Construction Project*

**D. A/E Supplementals/Change Orders.** (The following process is the same for both A/E Supplementals and Change Orders. The term A/E Supplementals may be interchanged with the term Change Orders in Steps 2 through 10.)

- Step 1 

A/E issues a Supplemental Order with instructions for the change and a price to incorporate the change into the work.
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- Step 1a 

A/E issues Change Order Bulletin to Contractor with instructions for the change and a price to incorporate the change into the work.
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- Step 1b 

Contractor prepares the price and sends it back to the A/E.
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- Step 2 

A/E reviews the price, approves it, and sends it to the AGENCY.
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- Step 3 

AGENCY Project Manager reviews and approves the price, & authorizes the A/E to prepare the Change Order.
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- Step 4 

A/E prepares the Change Order, signs and sends to Contractor.
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- Step 5 

Contractor signs and sends the Change Order to the AGENCY.
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- Step 6 

AGENCY Project Manager signs the Change Order and sends it to the appropriate AGENCY accounting office.
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- Step 7 

AGENCY accounting office processes a COFRS PO to increase or decrease the amount of the associated encumbrance by the amount of the Change Order.
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- Step 8 

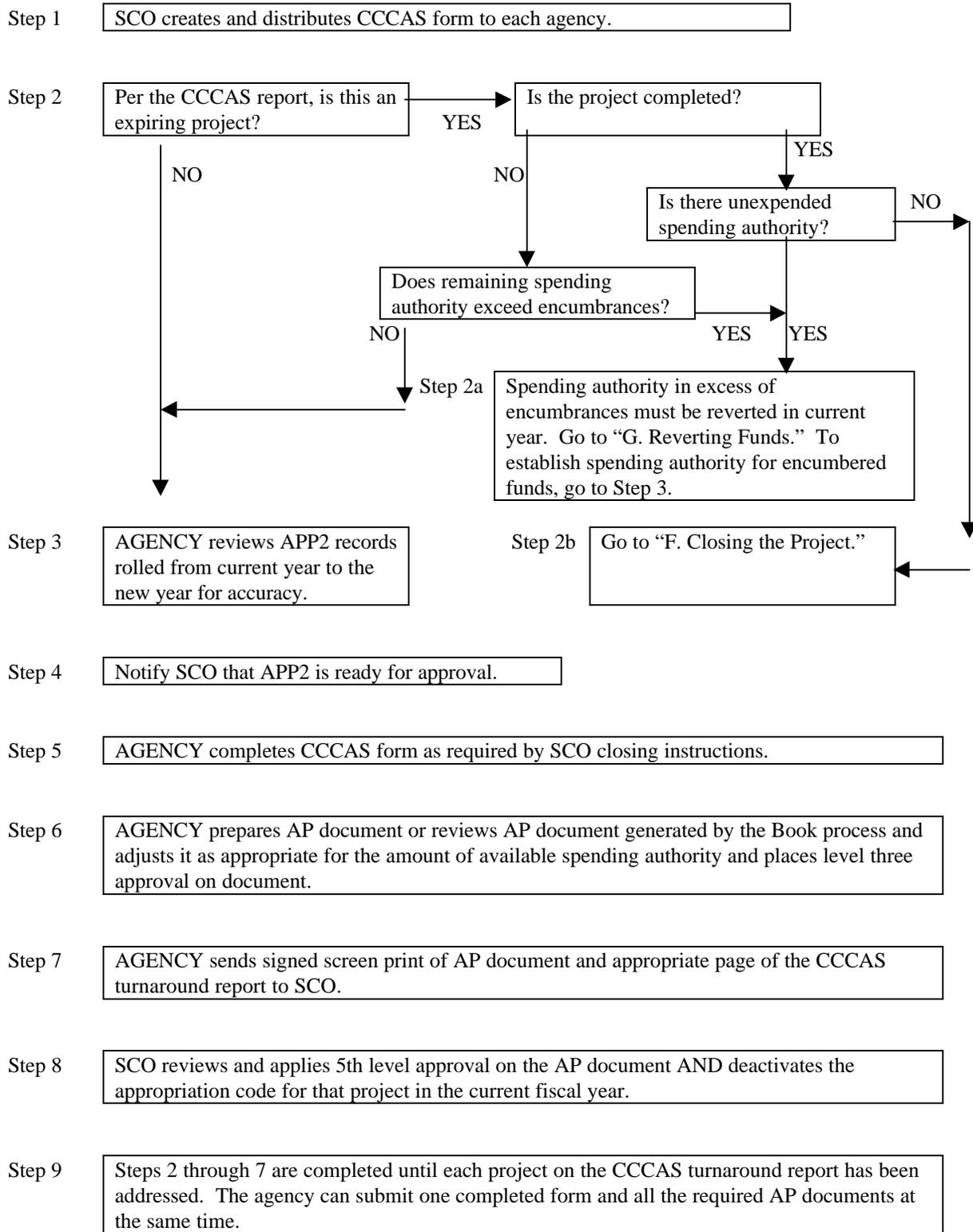
AGENCY accounting office sends a signed screen print of the document to SBP/delegee for signature
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- Step 9 

SBP/delegee signs Change Order and sends to State Controller/delegee for signature.
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- Step 10 

State Controller/delegee signs Change Order & sends back to SBP/delegee for distribution.
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# Life Cycle of a Capital Construction Project

## E. Fiscal Year End



## *Life Cycle of a Capital Construction Project*

### F. Closing the Project

- Step 1 Contractor requests inspection & punch list from A/E.
- Step 2 A/E inspects & prepares punch list of items not acceptable, which is sent to the Contractor.
- Step 3 Contractor completes work required by punch list.
- Step 4 A/E inspects to determine if all punch list items are completed.
- Step 5 A/E determines that fewer than ten items from the punch list remain open. Do not go to Step 6 until the punch list contains fewer than ten items.
- Step 6 A/E completes & signs Closing Out Checklist (SBP Form 8-76) & Contract Close-out (SBP Form 4-76), & sends to Contractor.
- Step 7 Contractor signs forms & sends to the AGENCY Project Manager.
- Step 8 AGENCY Project Manager signs form & sends to SBP/delegee.
- Step 9 SBP/delegee signs & issues Notice of Acceptance (State Form SC-6.27) to AGENCY Project Manager.
- Step 10 Upon receipt of Notice of Acceptance, AGENCY Project Manager sends Notice of Contractor's Settlement (State Form-7.3) to newspapers.
- Step 11 Newspapers advertise settlement of project twice.
- Step 12 Ten days after last advertisement, Contractor is eligible for final payment & retainage.
- Step 13 Contractor sends application for final payment to A/E for approval.
- Step 14 A/E approves application for payment & sends to AGENCY Project Manager.
- Step 15 AGENCY Project Manager signs application for payment and sends to appropriate AGENCY fiscal area.
- Step 16 AGENCY fiscal area calculates retainage payoff if not done by Project Manager and processes COFRS PV document. PV document must liquidate balance of both contract liability and retainage liability.
- Step 17 AGENCY/COFRS generates warrant for final payment to Contractor.
- Step 18 Upon receipt of final payment, Contractor sends as-builts and warranties to the AGENCY Project Manager.
- Step 19 AGENCY sends SBP a set of stamped/signed or certified true copies of project documents for archives.

## *Life Cycle of a Capital Construction Project*

### G. Reverting Funds

- Step 1a 

Project is expiring or complete and unexpended funds remain.
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- Step 2 

AGENCY must revert balance of funds.
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- Step 3 

AGENCY completes CCCAS form as required by SCO closing instructions.
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- Step 4 

AGENCY enters AP document for the amount of remaining available spending authority to be reverted.
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- Step 5 

AGENCY places 3rd level approval & sends signed screen print of AP document to SCO with completed CCCAS form.
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- Step 6 

SCO applies 5th level approval on the AP document and deactivates the project for the old fiscal year.
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- Step 7 

Step 3 through 6 is completed until each project on the CCCAS turnaround report has been addressed.
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