

CHAPTER III

EMERGENCY MAINTENANCE PROJECTS

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PURPOSE:

The purpose of this procedure is to provide direction for state agencies to apply for emergency maintenance funds.

DEFINITIONS:

See Chapter 1, Section 2.

ACCOUNTING/FISCAL ADMINISTRATIVE REQUIREMENTS:

Establish New Emergency Maintenance Projects

If an emergency arises (i.e., broken water pipe, boiler failure, etc.) and the expense is anticipated to be over \$5,000, the state agency must do the following to obtain funds:

- ♦ Contact State Buildings Program (SBP) (see Exhibit “A” of this Chapter);
- ♦ Complete an emergency project questionnaire and emergency project budget (see Exhibit “B” and “B-1” of this Chapter); attach a proposal from the contractor; and
- ♦ Mail or fax the questionnaire and budget to SBP.

SBP will review the questionnaire/budget and may request additional information. If SBP approves the emergency project, they will:

- ♦ Assign a project number.
- ♦ Prepare an SC 4.1 form to set-up the project with the signature of the Director of SBP and a transmittal memorandum.
- ♦ Forward the memorandum and SC 4.1 form to GSS, Executive Director’s Office to establish the emergency maintenance project.

When the emergency maintenance project has been established, a copy of the SC 4.1 and confirmation memo (see Exhibit “C” of this Chapter) will be returned to the state agency.

Transfer of Controlled Maintenance Funds to Establish Emergency Maintenance Projects

Controlled maintenance funds can be transferred to establish an emergency maintenance project (CRS 24-30-1303.7). The agency must do the following to transfer funds:

- ♦ Complete the emergency project questionnaire and emergency project budget (see Exhibit “B” and “B-1” of this Chapter);
- ♦ Complete an SC 4.1 form to decrease the controlled maintenance project; (**Note:** Only the Director of SBP can sign for SBP in the appropriate signature block).
- ♦ Enter an “AP” transaction to decrease the controlled maintenance project; and
- ♦ Send the packet to SBP for approval and signature.

SBP will review the packet and may request additional information. If SBP approves the emergency maintenance project, they will:

- ♦ Assign a project number.
- ♦ Complete an SC 4.1 form to transfer the controlled maintenance funds to the new emergency project and set-up the project with the signature of the Director of SBP and a transmittal memorandum
- ♦ Forward memorandum, emergency maintenance project SC 4.1, controlled maintenance project funds transfer SC 4.1, and AP decreasing the controlled maintenance project to GSS, Executive Director’s Office to establish the emergency maintenance project.
- ♦ Forward a copy of the memorandum, emergency project questionnaire and emergency project budget to the Division of Human Resource Services, Risk Management Section to process an insurance claim. Insurance claims will not be possible in all cases due to age of the roof, chiller, boiler, etc.

When the emergency maintenance project has been established, a copy of the SC 4.1 and confirmation memorandum will be returned to the state agency. State Controller’s Office Field Accounting Services Team will return the controlled maintenance project funds transfer SC 4.1 to the state agency.

When the controlled maintenance funds are transferred to establish the emergency maintenance project, the funds are controlled and disbursed by GSS, Executive Director’s Office. All contracts, purchase orders and payments must be approved and processed through the SBP and encumbered and paid by GSS, Executive Director’s Office using emergency maintenance funds. Upon completion of the project, any remaining funds will be returned to the original controlled maintenance project through SBP.

Emergency Maintenance Projects Covered by Insurance

If a state agency files with the Division of Human Resource Services, Risk Management Section a claim for insurance reimbursement on an emergency maintenance project, the state agency must contact SBP immediately. Any insurance proceeds must be reimbursed to the emergency fund.

SECTION 1
PREPARING A PURCHASE ORDER
FOR AN EMERGENCY PROJECT

ACCOUNTING/FISCAL ADMINISTRATIVE REQUIREMENTS:

Amounts can be committed by a state agency for issuing purchase orders (PO) for the following:

- ♦ Equipment, materials, and supplies.
- ♦ Purchase orders containing labor equal to or less than \$25,000 without prior approval from SBP or a qualified architect/engineer.
- ♦ Purchase orders containing labor equal to or less than \$50,000 with review and approval by SBP or a qualified architect/engineer.

State Fiscal Rule 2-2.01 requires purchase orders for commitments of \$3,000 or more.

PROCEDURAL STEPS:

The focus of the steps in this section is to discuss the processing of purchase orders.

- Step 1:** The state agency creates a purchase order from within the state agency or from the Division of Purchasing. NOTE: Because the funds are within GSS, the purchase order will need to be hand typed; you will not be able to enter it into the COFRS system.
- Step 2:** Reference the emergency maintenance project number and COFRS agency code on the purchase order.
- Step 3:** Forward the purchase order with a memo of the contact name, return address or fax number to SBP for verification that the purchase is within the scope of the project. After SBP approves the purchase order, it will be forwarded to GSS.
- Step 4:** GSS enters a PO transaction into the COFRS system to encumber the funds against the emergency maintenance project and approve the transaction.
- Step 5:** Once the encumbrance is accepted, GSS will generate a screen print and mail or fax it to the state agency.

SECTION 2
PREPARING A CONTRACT
FOR AN EMERGENCY PROJECT

ACCOUNTING/FISCAL ADMINISTRATIVE REQUIREMENTS:

All contracts, amendments, supplements, and change orders must be forwarded to SBP for approval. Three originals plus one copy of contracts, amendments, supplements, and change orders must be submitted for approval and signatures.

NOTE: Delegation from SBP, the Attorney General's or State Controller's Offices does not apply on emergency projects. **Do not sign for SBP, the Attorney General or the State Controller.** However, contracts, amendments, supplements, and change orders must be signed by the principal representative to commit the state agency to the project.

- ♦ A contract, amendment, supplement or change order submitted to SBP for approval must have all vendor and state agency signatures (i.e. the principal representative) affixed to the contract, amendment, supplement or change order.
- ♦ SBP will forward the signed contract, amendment, supplement or change order to GSS.

The method of preparing for, or meeting, each requirement is described as a step in the following procedure step section.

PROCEDURAL STEPS:

- Step 1:** Forward signed contract, amendment, supplement, or change order with a memo containing agency contact, phone number and fax number to SBP for approval and signature by SBP.
- Step 2:** SBP approves the contract, amendment, supplement or change order and forwards it to GSS.
- Step 3:** GSS enters the CLIN record and encumbers the funds and forward to next signature authority.
- Step 4:** When contract, amendment, supplement or change order has been fully executed, the SCO will return the executed contract, amendment, supplement or change order to GSS. GSS will maintain a copy and forward remaining copies and attachments to SBP for distribution.

SECTION 3
PREPARING A VENDOR PAYMENT
FOR AN EMERGENCY PROJECT

ACCOUNTING/FISCAL ADMINISTRATIVE REQUIREMENTS:

Payments for emergency maintenance project can only be paid from the emergency maintenance fund. State agencies are not authorized to enter payments into the COFRS system since the fund is controlled by GSS.

Vendor federal identification numbers must be established for all payments made from the emergency maintenance fund. The state agency will reference the vendor's federal identification number on all payments submitted for payment.

PROCEDURAL STEPS:

- Step 1:** Receive documentation in the form of invoices, applications for payment, or certificate for contractor's payment. Review the documentation for reasonableness.
- Step 2:** An original vendor invoice, architect/engineer application, or certificate for contractors payment plus one copy must be forwarded to SBP. Agency personnel are required to sign the purchase order, indicate it is acceptable to pay, and date it.
- Step 3:** SBP reviews documentation and forwards the original(s) to GSS for entry into the COFRS.
- Step 4:** A warrant will be issued and mailed to the vendor by GSS.

NOTE: If the state agency wants a copy of the payment voucher, they need to state that in a memorandum and give a return address and contact name. If this is a final payment and the project is complete, the state agency will need to fill out a project completion form (see section on Emergency Project Completion).

SECTION 4
EMERGENCY PROJECT COMPLETION

ACCOUNTING/FISCAL ADMINISTRATIVE REQUIREMENTS:

SBP has determined that six months is sufficient time to complete and close out an emergency project. If there are extenuating circumstances, the state agency needs to send a letter to SBP requesting a waiver of the six month rule, explaining the reason for the delay and projecting a completion date.

When a project is complete, the agency must:

- ♦ Prepare “Project Completion” form (see Exhibit “D” of this Chapter).
- ♦ Send the original and one copy to SBP.

Any remaining funds will be returned to the main emergency fund by SBP.

SECTION 5
CAPITALIZATION OF EMERGENCY MAINTENANCE
PROJECTS

ACCOUNTING/FISCAL ADMINISTRATIVE REQUIREMENTS:

At the fiscal year end, GSS will create a report of all emergency maintenance projects. Emergency maintenance projects that are not complete will be recorded on COFRS by GSS as construction in progress. Emergency maintenance projects that are complete and under \$50,000 are reported to the State Controller's Office for inclusion in the Statewide Cost Allocation Plan (SWCAP). The cost of the project is billed back to the state agency. Emergency maintenance projects that are complete and over \$50,000 are reported to the state agency to capitalize on their books.

EXHIBIT A
Contact Listing

Project Information

State Buildings Program
225 East 16th Street, Room 900
Denver CO 80203
Phone: 303-866-6135
Fax: 303-894-7478
Contact: Carol Lieber
Phone: 303-866-3158
Fax: 303-894-7478

Encumbrance/Payment Information

General Support Services
Executive Director's Office
1525 Sherman, Room 200
Denver CO 80203
Phone: 303-866-6544
Fax: 303-866-6569
Contact: Sue Brooks

EXHIBIT B
Emergency Project Questionnaire

DATE _____

1. Brief description and location of the problem:
2. To the best of your knowledge, when did the problem begin and to what extent has it worsened?
3. Does the problem pose any immediate health or safety hazards? Please explain:
4. Please provide an approximate cost to repair the problem now versus waiting and repairing at a later date. (**NOTE:** \$5,000 minimum).
5. To what extent is the problem disrupting operations, causing damage or deterioration and/or causing financial loss to the State of Colorado?
6. Please provide any additional information that might qualify this problem for emergency funding:
7. Is this event eligible for insurance reimbursement? If so, have you contacted Risk Management?

Agency Contact: _____
Phone #: _____

State Agency Name: _____
Date Prepared: _____

ATTACH ADDITIONAL INFORMATION IF NECESSARY

EXHIBIT B-1
Emergency Project Budget

Agency: _____

Project Title: _____

Total Amount Requested \$ _____

Budget Request

I. Professional Services

A.	Architectural/Engineering Services	\$ _____	
B.	Construction Services	\$ _____	
C.	Site/Soil Surveys	\$ _____	
D.	Other	\$ _____	\$ _____

II. Construction or Improvement

A.	Structure (General, Mechanical & Elec.)	\$ _____	
B.	Sewer (Sewer, Water, Gas & Electricity)	\$ _____	
C.	Site Improvement (Roads, Walks, Grading)	\$ _____	
D.	Other	\$ _____	\$ _____

III. Project Contingencies (10%) \$ _____

IV. Equipment \$ _____

V. Other \$ _____

VI. Total \$ _____

ATTACH CONTRACTOR'S PROPOSAL

EXHIBIT C
Confirmation Memorandum

TO:

FROM: GSS Executive Director's Office

DATE:

SUBJECT: *Project Application - SC 4.1*

Enclosed please find the approved project application (SC 4.1) for your Emergency Project.

Project Name: _____

Project Number: _____

Appropriation Code: _____

Fund/state agency number: _____

Total Appropriation: _____

If you have any accounting questions regarding this project, please call 303-866-6544 or if you have any general project questions call SBP at 303-866-6135.

Thank you.

Attachment

EXHIBIT D
Memo for Project Completion
(attach to final Project Invoice)

State Buildings Programs
225 East 16th Street, Room 900
Denver CO 80203

Notification of Completion of Emergency Project.

Project Name	_____
Project Number	_____
Appropriation Code	_____
Fund/state agency	_____
Total Appropriation	_____
Total Expenditures	_____
 Project Balance	 _____

Signature: _____

Title: _____

Date: _____

Do not write below this line

For State Buildings Program use only:

Project Start Date: _____

Project Completion Date: _____