



COLORADO EMERGENCY CONTROLLED MAINTENANCE POLICIES AND PROCEDURES

I. PURPOSE

Note: The purpose of this procedure is to provide direction for State Agencies and Institutions of Higher Education (Agency) to apply for Emergency Controlled Maintenance Funds.

Emergency Controlled Maintenance Projects, per C.R.S. § 24-30-1303.9 (5), are established within Department of Personnel & Administration; and, therefore, controlled by them. All contracts, purchase orders and payments must be approved and processed through the OSA to be encumbered and paid by Department of Personnel & Administration, from emergency funds.

II. DEFINITION

Emergency Controlled Maintenance - An appropriation made to the Department of Personnel & Administration, Office of the State Architect/State Buildings Program (OSA), to meet emergency controlled maintenance situations that pose a threat to the public health, welfare, or safety.

III. ESTABLISHING AN EMERGENCY PROJECT

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

Immediate emergencies:

- Obtain a verbal approval from the State Architect (a voice mail or email message to the State Architect will be acceptable if all pertinent information is provided regarding the nature of the emergency situation) Refer to the Contact Listing section below for telephone info and email addresses for OSA;
- Follow procedures in Fiscal Rule 3-1, §11 to notify agency chief financial officer / State Controller/delegate in a written report of the circumstances, the nature and value of the commitments if an emergency procurement is needed;
- Retain original receipts for reimbursement;
- Prepare the Emergency Project Questionnaire and Emergency Project Budget and e-mail to State Architect.

Imminent emergencies:

- Contact OSA via telephone or email message;
- Complete an Emergency Project Questionnaire and Emergency Project Budget;
- Complete an EM Project Capitalization Questionnaire signed by your Controller of CFO
- Attach a proposal from the contractor(s)/vendor(s); and
- Email the Questionnaire, photos (if possible), budget and Capital Questionnaire to OSA.

2a. OSA will review the Questionnaire and Budget with Risk Management and may request additional information. If OSA approves the Emergency Project, OSA will:

- Assign a project number.
- Create an SC-4.1 form*, setting-up the project with the signature from the Office of the State Architect
- Forward the SC-4.1 form to Department of Personnel & Administration Financial Services Group, establishing the Emergency Controlled Maintenance Project.
- Forward a copy of all opening project documents to the Agency.

- Agency is to forward a copy of the Emergency Project Questionnaire and Emergency Project Budget to the State Office of Risk Management to process an insurance claim. Not all emergencies qualify as insurance claims related to aging roof, chiller, boiler, etc. **

* *There may be several SC4.1 forms if there are Controlled Maintenance funds being transferred to DPA to supplement the EM project. See 2b below.*

** *If Risk Management determines that a project can be funded entirely through an insurance claim, OSA will not approve the project to be funded by Emergency Controlled Maintenance funds.*

2b. Transfer of existing Controlled Maintenance Funds to Establish Emergency Maintenance Project

Existing Controlled Maintenance funds can be transferred to establish an Emergency Controlled Maintenance Project (C.R.S. § 24-30-1303.7). The Agency must do the following to transfer funds:

- Complete the Emergency Project Questionnaire and Emergency Project Budget;
- Draft an SC-4.1 form to decrease the Controlled Maintenance Project; (**Note: Only the State Architect can sign for SBP in the appropriate signature block**);
- Email the packet to OSA along with a memo that explains why funds are available in the existing controlled maintenance project and can be transferred to establish an emergency project. The State Architect will sign the SC-4.1 if the transfer is approved.
- Complete appropriate budget documents in CORE to decrease the Controlled Maintenance Project.

When the controlled maintenance funds are transferred to establish the Emergency Controlled Maintenance project, the funds are controlled and disbursed by the Department of Personnel & Administration, and will be processed like all other Emergency Controlled Maintenance Projects. Upon completion of the project, any remaining funds will be returned to the original Controlled Maintenance project by OSA.

IV. EMERGENCY MAINTENANCE PROJECTS COVERED BY INSURANCE

If an agency files a property insurance claim with the State Office of Risk Management related to an Emergency Maintenance Project, the reporting agency must contact OSA and inform them of the emergency and the account number assigned to the project. Once the insurance claim is resolved, all approved insurance funds associated with the OSA portion of the emergency project will be paid to OSA and not the reporting agency.

If an institution files a property insurance claim with their insurance carrier related to an Emergency Maintenance Project, the institution must inform OSA and their Risk Management authority. Once the insurance claim is resolved, all approved insurance funds associated with the OSA portion of the emergency project will be reimbursed to OSA.

V. ACCOUNTING/FISCAL PROCEDURES

Purchase Order

It is necessary to record purchase orders for commitments of \$5,000 or more per State Fiscal Rule 3-1, §11.

An agency can submit purchase orders for the following:

- Equipment, materials, and supplies - **purchase orders are not acceptable for professional services.**
- Purchase orders containing material and labor equal to or less than \$150,000 without review and approval by OSA.

- All purchase orders and contracts containing personal services must be reviewed by the Department of Personnel's Privatization Program unless a waiver has been issued from the Department of Personnel and granted to your agency to cover the emergency procurement.

NOTE: SBP Delegation from OSA, the Attorney General's or State Controller's Offices **does not apply on Emergency Projects. Do not sign for State Buildings Program or the State Controller.** However, purchase orders must be signed by the Principal Representative to commit the Agency to the project.

Executing a Purchase Order:

- Step 1:** Agency completes the Emergency Controlled Maintenance Construction Purchase Order supplied by OSA and obtains a detailed cost proposal or quote from the vendor, an updated W-9, and a Certificate of Insurance that names the State of Colorado as an additional insured and appropriate coverage.
- **Please ensure that all vendor terms and conditions are removed or struck from their proposal prior to submitting to OSA.** Because the funds are within Department of Personnel & Administration, the Agency cannot enter the Purchase Order into CORE.
 - Send **draft** document to OSA for review and approval as well as email addresses of the parties that will be electronically signing and anyone who should receive notification of the executed document
 - **OSA will upload for electronic signatures.**
 - The Agency Controller or CFO must also sign a completed EM Project Capitalization Questionnaire in order for the purchase order to be more quickly approved.
- Step 2:** Department of Personnel & Administration Financial Services Group will obtain the Authorized Accounting Signature and enter a PO transaction into CORE to encumber the funds against the Emergency Controlled Maintenance Project and approve the transaction.
- Step 3:** Once the encumbrance is accepted, The Department of Personnel & Administration Financial Services Group will return an electronic copy to OSA. OSA will forward the electronic copy back to the Agency.

Contract

All contracts, amendments, supplements, and change orders must be forwarded to OSA for approval prior to requesting signature.

One original of each contract, amendment, supplement, and change order must be submitted for approval and signature by OSA, the State Controller's Office and the Attorney General's Office (if high risk). If utilizing electronic signatures, the contract **MUST** originate with OSA.

NOTE: Delegation from OSA, the Attorney General or the State Controller office **does not apply on Emergency Projects. Do not sign for State Buildings Program, the Attorney General or the State Controller.** However, contracts, amendments, supplements, and change orders must be signed by the Principal Representative to commit the Agency to the project.

Executing a Contract, Supplement, Amendment or Change Order:

- Step 1:** Agency completes the appropriate contract based on the delivery method, and obtains bonds (if required), Certificate of Insurance, an updated W-9, a detailed cost proposal or quote from the vendor, and all other Exhibits/Attachments required by the document.
- **Please ensure that all vendor terms and conditions are removed or struck from the proposal prior to submitting to OSA.**
 - Send **draft** document to OSA for review and approval as well as email addresses of the parties that will be electronically signing and anyone who should receive notification of the executed document
 - OSA will upload to for electronic signature.

- Because the funds are within Department of Personnel & Administration, the Agency cannot enter the contract into CORE
- The Agency Controller or CFO must also sign a completed EM Project Capitalization Questionnaire in order for the encumbrance to be more quickly approved.

Step 2a: If hard copy signature: Obtain the signatures of the Agency Principal Representative and the vendor.

Step 2b: If utilizing Electronic Signature: OSA will provide DPA contact information for uploading to DocuSign.

Step 3: Hard Copy: Mail signed document to OSA for approval and signature.

Step 4: OSA will enter into CMS then forward the document to Department of Personnel & Administration Financial Services Group to enter into CORE, encumbering the funds and forward to next signature authority.

Step 5: When the document has been fully executed, the Department of Personnel & Administration Delegate for the State Controller's Office will return the document to OSA. Department of Personnel & Administration and OSA will retain a copy and will e-mail the executed document back to the Agency.

Preparing a Vendor Payment

Emergency Controlled Maintenance Project payments can only be paid from the emergency controlled maintenance fund. Agencies are not authorized to enter payments into CORE since the money is controlled by Department of Personnel & Administration.

Procedural Steps:

Step 1: Receive documentation in the form of invoices, applications for payment, or certificate for contractor's payment. Review the documentation for approval.

- Agency is responsible for tracking EM spending based on the budget submitted in the Emergency Questionnaire.
- The EM project number must be referenced on all documents submitted for payment.
- All pay applications require an accompanying matching vendor invoice.

Step 2: Agency is required to note somewhere on the pay request "Authorized to pay", date and initial.

Step 3: An original vendor invoice, architect/engineer application, or certificate for contractor's payment must be emailed to OSA.

Step 4: After OSA reviews documentation, they will forward an electronic copy to Department of Personnel & Administration Financial Services Group for entry into CORE.

Step 5: Department of Personnel & Administration Financial Services Group will issue a warrant, or EFT, to the vendor.

Step 6: Like all other contracts, if a contract met retainage requirements, final payments will require a Notice of Contractors Settlement. A copy of the notice will need to be submitted to OSA.

VI. PROJECT COMPLETION

OSA has determined that **six months** is sufficient time to complete and close out an emergency project. If there are extenuating circumstances, the Agency needs to email a letter to OSA 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 “Memo for Project Completion” form.
- Email to OSA.

If the project was funded solely from Emergency Controlled Maintenance Funds, OSA will return any remaining funds to the main Emergency Fund. If the project was funded solely with transfers from an Agency Controlled Maintenance project, OSA will return any remaining funds to the Controlled Maintenance fund they came from.

VII. CAPITALIZATION OF EMERGENCY CONTROLLED MAINTENANCE PROJECTS

At the fiscal year end, the Department of Personnel & Administration will create a report recording all Emergency Controlled Maintenance Projects. Emergency Controlled Maintenance Projects that are ongoing (incomplete) will be recorded in the Department of Personnel & Administration accounting as *Construction in Progress*. Emergency Controlled Maintenance Projects that are complete and under \$50,000 are reported to the State Controller’s Office through the Statewide Cost Allocation Plan (SWCAP). The cost of the project is billed back to the Agency. Emergency Controlled Maintenance Projects that are complete and over \$50,000 are reported to the Agency to capitalize on their books.

VIII. REFERENCES:

1. Colorado Revised Statutes (C.R.S.): Title 24, Article 30, Parts 13 and 14;
Title 24, Article 91, Section 101-110;
Title 24, Article 92, Section 101-114;
Title 24, Article 93, Sections 101-108;
Title 24, Article 101, Section 201-203 and 301-302;
Title 38, Article 26, Section 106-108; and
Title 8, Article 17, Section 101.
2. Fiscal Rules: Issued by the State Controller’s Office.
3. Procurement Code and Rules: Issued by the Office of State Purchasing.
4. State of Colorado Contract Manual: Issued by the State Controller’s Office.
5. All OSA policies and procedures are available on OSA’s web site.

CONTACT LISTING

PROJECT INFORMATION

Office of the State Architect

Office of the State Architect
1525 Sherman Street
Denver CO 80203

To initiate a project:
State Architect: Tana Lana, AIA
Email address: tana.lane@state.co.us

Processing of Paperwork:
Contact: Kathy Miller
Email address: kathleen.miller@state.co.us

State Risk Management

State Office of Risk Management
1525 Sherman Street
Denver, CO 80203

Contact: Adam Alban
Property Insurance and Safety Administrator, State Office of Risk Management
Phone # 303/866-2957 Email address: adam.alban@state.co.us

Department of Personnel & Administration Financial Services Group

Department of Personnel & Administration
1525 Sherman Street
Denver CO 80202

Main Contact: Sara Trent
Email address: sara.trent@state.co.us