

Massachusetts School Building Authority

Timothy P. Cahill
Chairman, State Treasurer

Katherine P. Craven
Executive Director

OPM Informational Session June 7, 2010

MSBA
40 Broad Street, 5th Floor
Boston, Massachusetts 02109

<http://www.MassSchoolBuildings.org>

New Program

- We need to stretch our limited resources in a responsible manner to help school districts improve public school buildings across the entire Commonwealth
 - Limited Funding
 - Limited Staffing

Total Project Budget “3011”

- Standardize Format of Submittals
- Support ProPay Budget Entry
- Document Budget for Project Scope and Budget and Project Funding Agreements

Standard Evaluation

- Ineligible Costs and Scope Exclusions
- OPM and Designer Fees
- Site Costs Cap on Reimbursement
- Construction Cap on Reimbursement
- FFE Cap on Reimbursement
- Soft Cost Cap on Reimbursement

General Expectations of OPMs

- Assist District with Decisions and Process
- Ensure Complete, Coordinated and Timely submittals
- Facilitate Project Communication
- Accurate Monthly progress Reports

Monthly Reports

- All reports are sent to Jennifer Connarton (Senior Contract Administrator) attention by the 12th of each calendar month
- All monthly reports are evaluated for content and by categories for completeness and kept in the file by the PM's
- Report work performed during that reporting period by all project participants and work planned for next reporting period

Monthly Reports

- Schedule
- Project Budget and Actual Expenses Incurred
- CO and PCO Information
- Cash Flow (actual vs. projected)

Monthly Reports

- Contractor's safety performance
- Tracking recorded manpower for that reporting period
- QA/QC
- Designer and Contractors MBE/WBE
- Potential issues
- Pictures

Monthly Reports

- We have finalized the online database for monthly reports
- All monthly reports will be added electronically by the OPM
- All attachments will be sent to Jennifer Connarton (Senior Contract Administrator)
- Implement in the next couple of months and there will be a training session to follow

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Questions?

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including a full set of the Project Documents, requests for proposals, proposals and evaluations, and "As-Built" drawings, for as long as the Approved Project is in service as a public school. For the purposes of 963 CMR 2.16(4), "all records" shall include, but not be limited to:

1. all executed contracts and purchase orders, including contract amendments and change orders;
2. all Owner's Project Manager's reports, including monthly progress reports;
3. issues log;
4. the potential change order log;
5. all meeting minutes;
6. a schedule or milestone summary;
7. all requests for reimbursement and forms as submitted to the Authority;
8. all invoices and contractors' applications for payment; and
9. other such other information, data, logs, documentation, or records as may be required by the Authority.

(d) The Authority shall, in its sole discretion, disallow any costs not adequately supported by contemporaneous, accurate and complete records.

(5) Ineligible Costs. Costs that are categorically ineligible for reimbursement or payment by the Authority shall include, but not be limited to:

- (a) Any costs for an Approved Project in excess of the Total Facilities Grant.
- (b) Financing costs incurred by an Eligible Applicant, including, but not limited to, interest, principal, costs of issuance and any other cost related to short or long term bonds, notes or other certificates of indebtedness, refunding notes or bonds, temporary loans, or any other form of indebtedness issued by an Eligible Applicant in relation to an Approved Project.
- (c) All costs associated with credit rating services, legal services related to the issuance of any indebtedness, and financial consulting services.
- (d) The cost of legal services.
- (e) The provision of any direct or indirect municipal services shall be ineligible costs, except the provision of public safety services as required by law, or services which the Authority determines are necessary for the completion of the Approved Project.
- (f) Any funds expended by the Eligible Applicant prior to the execution of a Project Funding Agreement, unless said costs are costs approved by the Authority in writing related to a Feasibility Study as approved by the Authority, shall be ineligible costs and are not reimbursable by the Authority unless the Board votes to allow reimbursement of such expenses incurred prior to the execution of the Project Funding Agreement.
- (g) All costs associated with site acquisition.
- (h) Unsupported or inadequately supported project costs, as determined by the Authority.
- (i) Maintenance or service contracts and warranties.
- (j) Duplicate costs or costs unrelated to the project.
- (k) The lease, purchase or rental of storage space, storage facilities, storage trailers, or

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storage containers.

- (l) Costs that are normal operating and maintenance costs of the school district, as determined by the Authority, such as textbooks, classroom supplies, custodial supplies, administrative support, telephone service and other such operating costs.
- (m) Swimming pools, skating rinks, field houses (only to the same extent as gymnasias), district administrative office space, indoor tennis courts, and other spaces which may be determined ineligible by the Authority.
- (n) Penalties, processing fees, catalogue fees, sales tax, memberships, and subscriptions.
- (o) The costs of local building permits, inspection fees, and any other such fees.
- (p) Athletic equipment, bases, balls, bats, racquets, uniforms, helmets, gloves, and all other related equipment.
- (q) All costs associated with the purchase, lease, improvement, or maintenance of modular units, unless such costs are deemed by the Authority in writing prior to said purchase or lease, to be the most cost effective option.
- (r) All costs associated with the upgrades, maintenance or improvements to swing spaces used for the housing of students.
- (s) All costs associated with the transportation of students.
- (t) All costs associated with the purchase, lease or use of any vehicle, including but not limited to automobiles, trucks, tractors, and golf carts.
- (u) The costs of any supplies related to the Assisted Facility.
- (v) All costs associated with the demolition of buildings, unless such costs are deemed by the Authority in writing prior to said demolition, to be the most cost effective option.
- (w) All costs associated with utilities.
- (x) All costs associated with cell phone purchase or service.
- (y) Dedication, ceremonial or celebratory costs.
- (z) The Authority reserves it right to disallow any costs associated with any change order that deviates from the scope of the project, as determined by the Authority pursuant to the Project Scope and Budget Agreement.
- (aa) Any costs determined by the Authority to be ineligible pursuant to M.G.L. c. 70B, St. 2004, c. 208, 963 CMR 2.00, the MSBA Audit Guidelines, or any other policy, rule, or guideline of the Authority.

2.17: Minimum Spending Requirements for Building Maintenance

- (1) Pursuant to M.G.L. c. 70B, § 8, the Authority shall not approve any Proposed Project for any school district that fails to spend in the year preceding the year of application at least 50% of the sum of said school district's calculated foundation budget amounts for the purposes of foundation utility and ordinary maintenance expenses, and extraordinary maintenance allotment as defined in M.G.L. c. 70, for said purposes. From Fiscal Year 1999 forward, no school district shall be given approval for a Proposed Project nor receive school facilities funds unless said district has spent at least 50% of the sum of said district's calculated foundation budget amounts