Double vertical lines in the margin indicate areas of material change since the October 1997 edition.

CHAPTER 9

SPECIAL PROCEDURES & FORMS FOR PUBLIC SCHOOL & COLLEGE AUTHORITY (PSCA) PROJECTS

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A. INTRODUCTION

Projects funded in whole, or in part, by the Alabama Public School and College Authority (PSCA) involve co-ownership and possible divisions of funding and payments. This chapter supplements the preceding chapters by setting forth special procedures to address co-ownership and severable payments of PSCA projects.

PSCA projects require full plan review in accordance with the requirements of Chapter 3. If the PSCA project is for a K-12 public school, the plans must also be reviewed by the State School Architect, State Department of Education, in accordance with their procedures.

PSCA projects are administered by the ABC; therefore, the ABC uniform documents and standard forms contained in Appendixes B and C must be utilized except as provided herein. Contained at the end of this chapter are forms designed specifically for PSCA projects as explained in this chapter.

B. PSCA PROJECT NUMBER

For accounting and tracking purposes, each project receiving PSCA bond issue funds is assigned a PSCA Project Number. **All documents and correspondence related to a PSCA project must bear the assigned PSCA Project Number as well as the BC Project Number**. The forms contained at the end of this chapter have spaces designated for the insertion of both of these numbers.

C. CO-OWNERSHIP of PROJECT – PSCA FORMS

All PSCA contract documents and bond forms must reflect co-ownership of the project by the PSCA and the Local Owner. The Local Owner is the City or County Board of Education, the Postsecondary Education Institution, or the Higher Education Institution for whom the project is being performed. At the end of this chapter are "PSCA Versions" of the ABC's standard forms for owner/architect agreements and construction contracts, which reflect PSCA co-ownership and bear appropriate signature spaces for the PSCA. These forms are to be used for PSCA projects instead of their counterparts contained in Appendix B or C.

In these forms identification of the "Owners" is completed by adding the name of the Local Owner after "Alabama Public School and College Authority and..." The contract documents must be signed by both the PSCA and the Local Owner; therefore, the name of the Local Owner and the name and title of its signing officer must be inserted in the respective signature spaces.

D. SPECIAL PROVISION for SEVERABLE PAYMENTS

On PSCA projects that are funded by both the PSCA and the Local Owner, payments to the design professional are generally made by the PSCA. Payments to the construction contractor are made first by the PSCA from the balance of its project funds and then the remaining balance of the Construction Contract is paid by the Local Owner. The "PSCA Version" of the ABC's standard Construction Contract form includes a "Severable Payments" special provision in which payment obligations of the PSCA and the Local Owner are to be established.

When preparing the construction contract, the design professional should obtain the amounts of the payment obligations to be inserted in the Severable Payments provision from the Local Owner and confirm these figures with the Technical Staff. If severable payments are to also apply to the O/A Agreement, similar language should be included in to that contract as well.

E. RESPONSIBILITY for CHANGE ORDER FUNDING

ABC Form 9-J, Contract Change Order (PSCA Version), contains the following sentence: "The amount of this Change Order will be the responsibility of _____." Insert in the blank space whichever of the following is appropriate: (1) PSCA, (2) name of the Local Owner, or (3) name of the Local Owner and the PSCA.

F. DEDUCTIONS for LIQUIDATED DAMAGES

If liquidated damages are assessed and payments to the construction contractor are paid by the PSCA and the Local Owner (the Local Owner paying last), the deduction of liquidated damages from the contractor's final payment will be by the Local Owner.

G. ADJUSTING PROJECT FUNDING

During the course of a project circumstances may arise warranting adjustment in funding to alter the severable obligations of the PSCA and Local Owner. When this occurs, the severable payments provision of the contract will be amended by using ABC Form 9-D, Modification to the Construction Contract, Adjustment of Severable Payments, bound at the end of this chapter. This modification is usually prepared by the Technical Staff. If the design professional intends to prepare such a Modification, all amounts to be inserted on the form should be confirmed with the ABC's Contract Administrator.

H. CONVERTING EXISTING PROJECTS to PSCA PROJECTS

Occasionally, PSCA bond issue funds can be used to supplement the Local Owner's current funding of an in-progress project. When this occurs the existing contracts may be amended as follows:

1. EXISTING O/A AGREEMENT

An existing O/A Agreement may be amended, using ABC Form B-4, Amendment ... to Agreement Between Owner and Architect, adding the PSCA as co-owner and stipulating that all, or part of, remaining payments are to be made by the PSCA. This amendment is generally prepared by the Technical Staff. One copy of the existing O/A Agreement and any paid invoices must be furnished to the Technical Staff before such an amendment can be prepared and/or approved.

2. EXISTING CONSTRUCTION CONTRACT

An existing construction contract must be modified making the PSCA a party to the contract as co-owner and stipulating the severable payment obligations of the PSCA and the Local Owner. ABC Form 9-E, Modification to the Construction

Contract, Adding the Alabama Public School and College Authority as Co-owner, bound at the end of this chapter, is utilized for this purpose. This modification is generally prepared by the Technical Staff. One copy of the existing contract and bonds, change orders, and previously paid estimates along with copies of the contractor's certificates of insurance must be furnished to the Technical Staff before such a modification can be prepared and/or approved.

3. EXISTING CONTRACT BONDS

Both the performance and payment bonds originally furnished with the contract must also be modified adding the PSCA as an obligee and co-owner. ABC Form 9-F, Modification of the Performance Bond and Payment Bond, bound at the end of this chapter, is utilized for this purpose. This modification is generally prepared by the Technical Staff.

4. WAIVER OF UNIFORM DOCUMENTS

Although the ABC will administer a project after it is converted to a PSCA project, the requirement to utilize the ABC's uniform documents and standard forms will be waived if they were not utilized in the existing contract documents.

I. PURCHASING MATERIALS and EQUIPMENT with PSCA FUNDS

The purchase of materials and equipment with PSCA funds may be approved if the purchases comply with the Competitive Bid Laws and meet the following criteria established by the PSCA:

1. NON-ATTACHED EQUIPMENT

Equipment must be integral to the instructional program and have a minimum life expectancy of ten years. It must constitute a major capital outlay expenditure. In general, PSCA funds will not be used to pay for maintenance items, expendable equipment, and athletic equipment. Submission of equipment lists to the Authority for pre-approval will prevent future problems and is highly recommended.

2. FURNITURE

Furniture not directly related to the instructional program should not be purchased with PSCA funds. Decorative accessories, art objects, and supplies cannot be purchased with PSCA funds. Office furniture must be approved by the Authority prior to purchase.

3. INVOICE PROCESSING

Invoices must be forwarded to the ABC for review, approval, and processing for payment. Payment is made by the Finance Department/Executive Budget Office. Copies of paid invoices are distributed by the ABC.

INVOICE CHECKLIST, ABC Form 9-G

Contained at the end of this chapter is ABC Form 9-G**,** Invoice Checklist, which is to be followed when preparing invoices for submittal to the ABC for approval to be paid with funds of the PSCA. This checklist contains the prerequisites for ABC approval of invoices for materials and equipment. The prerequisites assure conformance with PSCA requirements, competitive bid laws, ABC recording methods, and distribution requirements. The authority submitting such invoices should utilize this checklist when preparing invoices for submittal to assure prompt approval and processing.

CERTIFICATION OF COMPLIANCE, TITLE 41: PUBLIC CONTRACTS

Contained at the end of this chapter is ABC Form 9-H, Certification of Compliance, Title 41: Public Contracts, which is a document cited in the Invoice Checklist to be executed and attached to invoices.

J. LISTING of STANDARD PSCA FORMS

The following ABC standard forms are bound in this manual following this chapter:

ABC Form 9-A:	Construction Contract (PSCA Version)
ABC Form 9-B:	Performance Bond (PSCA Version)
ABC Form 9-C:	Payment Bond (PSCA Version)
ABC Form 9-D:	Modification to the Construction Contract, Adjustment of Severable Payments
ABC Form 9-E:	Modification to the Construction Contract**,** Adding the Alabama Public School & College Authority as Co-owner
ABC Form 9-F:	Modification of the Performance Bond and Payment Bond, Adding, as Co-owner, the Alabama Public School & College Authority
ABC Form 9-G:	Invoice Checklist
ABC Form 9-H:	Certification of Compliance, Title 41: Public Contracts
ABC Form 9- I:	Material Receipt
ABC Form 9-J:	Change Order (PSCA Version)
ABC Form 9-K:	Agreement Between Owner and Architect (PSCA Version)
ABC Form 9-L:	Amendment to Agreement Between Owner and Architect (PSCA Version)