

Summary of Revisions for Cost Accounting Policies and Procedures Manual 2025 Edition

Added, Amended, Or Removed	Section	Description	Page #
Amended on 01/01/2025	FRONT COVER	Replaced “2021 Edition” with “ 2025 Edition ”	Front Cover
Amended on 01/01/2025	FOREWORD	<p>The text in bold was amended based on the provisions of AB 2192 (Chapter 953) which became effective on January 1, 2025.</p> <p>The Uniform Public Construction Cost Accounting Act (Act), enacted in 1983 under Public Contract Code section 22000 et seq., allows local agencies to perform public project work of up to \$75,000 with their own workforces if the agencies elect to follow the cost accounting procedures set forth in the <i>Cost Accounting Policies and Procedures Manual</i> by the California Uniform Construction Cost Accounting Commission.</p>	I
Amended on 01/01/2025	1.04 Procedure of Establishment and Maintenance of List of Registered Contractors Per Section 22034 of the Public Contract Code	<p>The text in bold was amended based on the provisions of AB 2192 (Chapter 953) which became effective on January 1, 2025.</p> <p>d) If all bids received are in excess of two hundred twenty thousand dollars (\$220,000), the governing body of the public agency may, by adoption of a resolution by a four-fifths vote, award the contract, at two hundred thirty-five thousand dollars (\$235,000) or less, to the lowest responsible bidder, if it determines the cost estimate of the public agency was reasonable.</p>	8

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Added on 01/01/2025	1.09 Accounting Procedures Review	<p>The text in bold was added based on the provisions of AB 2192 (Chapter 953) which became effective on January 1, 2025.</p> <p>A. Pursuant to the provisions of Public Contract Code (PCC) §22042, the Commission has adopted the following procedures for conducting an Accounting Procedures Review, where an interested party presents evidence that work undertaken by a public agency falls within any of the following categories:</p> <ol style="list-style-type: none"> 1. It was performed by a public agency after rejection of all bids, claiming work can be done less expensively by the public agency. 2. It exceeded the force account limits in PCC §22032(a). 3. It was improperly classified as maintenance. 4. It was split or separated into smaller work orders or projects in violation of PCC §22033. 5. It has exceeded the limits or otherwise not met the requirements of PCC §22032(b) and c). 	18

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Amended on 01/01/25	1.09 Accounting Procedures Review	<p>The text in bold was amended based on the provisions of AB 2192 (Chapter 953) which became effective on January 1, 2025.</p> <p>C. Request for Accounting Procedures Review</p> <ol style="list-style-type: none"> 1. Pursuant to PCC §22043(a)(b), in those circumstances as set forth in PCC §22042(b), (c), (d), or (e), a request for Commission review shall be in writing. The request shall be sent via certified or registered postal mail, and received by the Commission and/or State Controller's Office (SCO) staff. It should be postmarked no later than eight business days from the date on which the public agency rejected all bids (PCC §22042(a)) or from the date on which an interested party formally complains in writing to the public agency (PCC §22042(b)(c)). 	19

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Amended on 01/01/25	1.09 Accounting Procedures Review	<p>The text in bold (<u>located under part “E” of Section 1.09</u>) was amended based on the provisions of AB 2192 (Chapter 953) which became effective on January 1, 2025.</p> <p>4. The statutory limit to complete the account review begins on the day that the request is received by SCO. Incomplete review requests may affect the ability of the Commission to render a timely decision. Pursuant to PCC §22043(c), the commission review shall commence immediately and conclude within the following number of days from the receipt of the request for commission review:</p> <p>(a) Forty-five days for a review that falls within subdivision (a) of §22042; and</p> <p>(b) Ninety days for a review that falls within subdivision (b), (c), (d), or (e) of §22042.</p>	20

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Added on 01/01/25	1.10 California Public Contract Code	<p>The text in bold (<u>see “22002 Definitions”</u>) was added based on the provisions of AB 2192 (Chapter 953) which became effective on January 1, 2025.</p> <p>c) "Public project" means any of the following:</p> <ol style="list-style-type: none"> 1) Construction reconstruction, erection, alteration, renovation, improvement, demolition, installation, and repair work involving any publicly owned, leased, or operated facility. 2) Painting or repainting of any publicly owned, leased, or operated facility. 3) In the case of a publicly owned electric utility system, “public project” shall include only the construction erection, improvement, or repair of dams, reservoirs, powerplants, and electrical transmission lines of 230,000 volts and higher. 	22

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Amended on 01/01/25	1.10 California Public Contract Code	<p>The text in bold (<u>see “22032 Contracting Procedures; Dollar Amount Limitations”</u>) was amended based on the provisions of AB 2192 (Chapter 953) which became effective on January 1, 2025.</p> <p>a) Public projects of seventy-five thousand dollars (\$75,000) or less may be performed by the employees of a public agency by force account, by negotiated contract, or by purchase order.</p> <p>b) Public projects of two hundred twenty thousand dollars (\$220,000) or less may be let to contract by informal procedures as set forth in this article.</p> <p>c) Public projects of more than two hundred twenty thousand dollars (\$220,000) shall, except as otherwise provided in this article, be let to contract by formal bidding procedure.</p>	27
Amended on 01/01/25	1.10 California Public Contract Code	<p>The text in bold (<u>see “22034 Informal Bidding Ordinance”</u>) was amended based on the provisions of AB 2192 (Chapter 953) which became effective on January 1, 2025.</p> <p>d) If all bids received are in excess of two hundred twenty thousand dollars (\$220,000), the governing body of the public agency may, by adoption of a resolution by a four-fifths vote, award the contract, at two hundred thirty-five thousand dollars (\$235,000) or less, to the lowest responsible bidder, if it determines the cost estimate of the public agency was reasonable.</p>	28

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Added on 01/01/25	1.10 California Public Contract Code	<p>The text in bold (<u>see “22042 Accounting Procedures Review”</u>) was added based on the provisions of AB 2192 (Chapter 953) which became effective on January 1, 2025.</p> <p>The commission shall review the accounting procedures of any participating public agency where an interested party presents evidence that the work undertaken by the public agency falls within any of the following categories:</p> <ul style="list-style-type: none"> a) Is to be performed by a public agency after rejection of all bids, claiming work can be done less expensively by the public agency. b) Exceeded the force account limits set forth in PCC §22032(a). c) Has been improperly classified as maintenance. d) Has been split or separated into smaller work orders or projects in violation of PCC §22033. e) Has exceeded the limits or otherwise not met the requirements in PCC §22032(b) and (c). 	30

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Added on 01/01/25	1.10 California Public Contract Code	<p>The text in bold (<u>see “22042.5 Informal Bidding Procedures Review”</u>) was added based on the provisions of AB 2192 (Chapter 953) which became effective on January 1, 2025.</p> <p>The commission shall review practices of any participating public agency where an interested party presents evidence that the public agency is not in compliance with Section 22034 or 22037.</p>	30
Amended on 01/01/25	1.10 California Public Contract Code	<p>The text in bold (<u>see “22043 Work Done by Public Agency; Commission Review Request”</u>) was amended based on the provisions of AB 2192 (Chapter 953) which became effective on January 1, 2025.</p> <p>b) In those circumstances set forth in subdivision (b), (c), (d), or (e) of Section 22042, a request for commission review shall be by letter received by the commission not later than eight days from the date an interested party formally complains to the public agency.</p> <p>c) The commission review shall commence immediately and conclude within the following number of days from the receipt of the request for commission review:</p> <ol style="list-style-type: none"> 1) Forty-five days for a review that falls within subdivision (a) of Section 22042. 2) Ninety days for a review that falls within subdivision (b), (c), (d), or (e) of Section 22042. 	30

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Amended on 01/01/25	1.10 California Public Contract Code	<p>The text in bold (<u>see “22044 Written Findings; Failure to Comply with Chapter, Action”</u>) was amended based on the provisions of AB 2192 (Chapter 953) which became effective on January 1, 2025.</p> <p>b) On those projects set forth in subdivision (b), (c), (d), or (e) of section 22042, the public agency shall present the commission’s findings to its governing body within 30 calendar days of receipt of written notice of the findings and that governing body shall conduct a public hearing with regard to the commission’s findings within 60 calendar days of receipt of the findings.</p>	31
Added on 01/01/25	2.03 Public Project	<p>The text in bold was added based on the provisions of AB 2192 (Chapter 953) which became effective on January 1, 2025.</p> <p>As defined in Public Contract Code section 22002(c), all public projects performed by public agencies may include:</p> <ul style="list-style-type: none"> • Construction, reconstruction, erection, alteration, renovation, improvement, demolition, installation, and repair work involving any publicly owned, leased or operated facility. • Painting or repainting of any publicly owned, leased or operated facility. • In the case of publicly owned electric utility system, construction, erection, improvement or repair of dams, reservoirs, power plants and electrical transmission lines of 230,000 volts and higher. 	37

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Amended on 01/01/25	2.05 Bid Limitations	<p>The text in bold was amended based on the provisions of AB 2192 (Chapter 953) which became effective on January 1, 2025.</p> <p>For those agencies whose governing board has by resolution elected to become subject to the uniform construction cost accounting policies and procedures and which have notified the State Controller of that election, the following bid limitations will be in effect pursuant to Public Contract Code section 22032 and 22034(d):</p> <ul style="list-style-type: none"> • Public projects of \$75,000 or less may be performed by the employees of a public agency by force account (for definition see page 43 section 3.03), by negotiated contract, or by purchase order. • Public projects of \$220,000 or less may be let to contract by informal procedures as set forth in this legislation. • Public projects of more than \$220,000 shall, except as otherwise provided in this legislation, be let to contract by formal bidding procedures. • If all bids received are in excess of \$220,000, the governing body of the public agency may by adoption of a resolution by a four-fifths vote, award the contract, at \$235,000 or less, to the lowest responsible bidder, if it determines the cost estimate of the public agency was reasonable. 	38

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Added on 01/01/25	2.08 Implementation	<p>The text in bold was added based on the provisions of AB 2192 (Chapter 953) which became effective on January 1, 2025.</p> <p>The Commission shall review the accounting procedures of any participating agency where an interested party presents evidence that the work undertaken by the public agency falls within any of the following categories stated in Public Contract Code section 22042:</p> <ul style="list-style-type: none"> • Is to be performed by a public agency after rejection of all bids, claiming work can be done less expensively by the public agency. • Exceeded the force account limits set forth in PCC §22032(a). • Has been improperly classified as maintenance. • Has been split or separated into smaller work orders or projects in violation of PCC §22033 • Has exceeded the limits or otherwise not met the requirements set forth in PCC §22032(b) and (c). 	40