
CONSTRUCTION COST REPORTING AND DSA FEES

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Division of the State Architect (DSA) documents referenced within this publication are available on the [DSA Forms](#) or [DSA Publications](#) webpages.

PURPOSE: This Interpretation of Regulations (IR) clarifies requirements relating to tasks that are considered to be “construction tasks” on projects under DSA’s jurisdiction, which are subject to DSA’s fee calculation.

BACKGROUND: Traditionally, construction tasks as listed in Section 2 below have been performed by the construction contractor. Alternative project delivery systems have been developed in recent years that assign certain construction-related responsibilities per Section 2 below to construction or program managers as agents of the owner, construction managers multiple-prime, and construction managers at risk (see *IR A-3: Construction Management Services for Public School Projects*), multiple-prime contractors, and lease-leaseback or design-build contractors (see *IR A-33: Design-Build and Lease-Leaseback Alternative Project Delivery Methods*). Such duties must be included in calculating construction costs, which are used to determine final fees due to DSA.

Note: Although certain portions of the construction management fees will be considered construction-related costs and utilized in determining DSA fees, please be aware that the Office of Public School Construction (OPSC) does not consider these costs to be construction-related for purposes of having funds released in the School Facility Program, with certain exceptions. Please consult with [OPSC](#) for further clarification of these construction management exception areas.

1. DSA FEES: Final DSA fees are based on the total final construction cost for the project. Final actual project cost, reported by the school district to DSA on form *DSA 168: Statement of Final Actual Project Cost*, is the sum of the total original construction contract amount, the total construction change amount, and total construction management amount when such management fees constitute a portion of the “construction cost.” See IR A-3 for clarification of construction management services that are considered to be part of the construction cost. Construction management, project management, and program management fees paid for services that are not for performing construction are not subject to DSA fees, except per Section 1.2 below.

- 1.1** If school district employees or volunteers perform substantial construction work, the estimated value of the work shall be reported on form DSA 168. The name of the person responsible for the construction shall also be specified on form *DSA 102-IC: Construction Start Notice/Inspection Card Request*. At the conclusion of construction, the person responsible shall file a final verified report as the designated contractor on form *DSA 6-C: Contractor Verified Report*, certifying that all construction was performed in accordance with the DSA-approved documents.
- 1.2** When an entity is contracted to perform any of the construction tasks described in Section 2 below, then that portion of the contract amount shall be reported to DSA on form DSA 168 and shall be subject to DSA fees, even if part of the services included in the contract would not otherwise be subject to fees. DSA fees for Construction Managers (including Program Managers and Project Managers), Construction Managers Multiple-Prime and Construction Managers at Risk may be prorated based on percentage of time spent on construction tasks as described in Section 2 below.
- 1.3** The value of donated materials and/or materials provided by the school district must be reported on form DSA 168.
- 1.4** Each submittal of contract information is to be made on form DSA 102-IC. Each contract must be identified by a “contract number” in consecutive order to assist in record keeping and future reference. Such identification must be noted on construction change documents which affect that contract.

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1.5 When a single contract covers work described in more than one DSA application, the cost relevant to each application shall be clearly broken out and a separate form DSA 102-IC shall be submitted for each application.

2. CONSTRUCTION TASKS: “Construction tasks” include, but are not limited to, the following:

1. Performing the hiring, contracting, or subcontracting for construction work.

Note: Assisting the school district with the preparation, advertising and bidding of prime contracts between the school district and a construction contractor shall not be considered a construction cost by DSA.

2. Purchasing construction materials.

3. Coordinating, scheduling, supervising or controlling multiple-prime contractors.

4. Directing or coordinating day-to-day activities of construction workers, contractors, or subcontractors.

5. Providing temporary facilities including, but not limited to, site trailers, furnishings, equipment, utilities, etc., for contractors, inspectors or other personnel.

6. Obtaining local permits and/or arranging for the delivery of power, telephone, water and other temporary utilities required for construction.

7. Providing construction site security.

8. Developing detailed construction schedule(s).

9. Providing quality control and/or safety audits of contractors.

10. Arranging for permanent utility hook-ups for the new construction.

11. Requesting, directing or arranging for inspections of fire alarm systems, food service systems, elevators, or other similar construction.

12. Arranging for a “fire watch” during construction for the construction site and/or for existing buildings while fire safety systems are non-functional for any reason as a result of the construction.

13. Providing clean-up work including the removal of trash and/or construction debris.

REFERENCES:

2019 California Code of Regulations (CCR) Title 24
Part 1: California Administrative Code (CAC), Section 4-322

This IR is intended for use by the DSA staff and by design professionals to promote statewide consistency for review and approval of plans and specifications as well as construction oversight of projects within the jurisdiction of DSA, which includes State of California public schools (K–12), community colleges and state-owned or state-leased essential services buildings. This IR indicates an acceptable method for achieving compliance with applicable codes and regulations, although other methods proposed by design professionals may be considered by DSA.

This IR is subject to revision at any time. Please check DSA’s website for currently effective IRs. Only IRs listed on the webpage at <https://www.dgs.ca.gov/dsa/publications> at the time of project application submittal to DSA are considered applicable.