



*Small capital improvement projects under \$1.5 million are often not as complicated as larger projects, but do require oversight and close management to be fully successful.*

## HOW SMALL CAPITAL PROJECTS ARE ADMINISTERED

depends upon several key factors:

- The value of the project
- Whether it's construction, or maintenance and repair (M/R)
- Who can manage the project

## LOCAL ADMINISTRATION

OFCC may grant local administration authority to state agencies to manage construction projects between \$215,000 and \$1,500,000.

## VALUE OF PROJECT

The total value of a project helps determine its procurement path. The total value of a project includes material, labor, design, general conditions, and contingency.

### < \$25,000

Not required to be submitted to the Ohio Department of Administrative Services (DAS) or the Ohio Facilities Construction Commission (OFCC).

### > \$25,000

Submit to DAS through the Requisite Procurement Program small construction projects.

### > \$215,000

If not known whether it's construction or M/R, submit to DAS and OFCC through the Requisite Procurement Program.

### > \$215,000

If known to be construction, submit Local Administration Request to OFCC through OAKS-CI.

### > \$1,500,000

Submit to OFCC to administer the project. For more information on submitting

projects through the DAS Requisite Procurement Program, see:

**Requisite Procurement Program Memo Decision Flow Chart**  
**Grouping of Small Construction Projects**

## CONSTRUCTION OR MAINTENANCE/REPAIR (M/R)

For projects valued above \$215,000, OFCC determines whether the project must be awarded and administered as a M/R contract for supplies and services under Ohio Revised Code (ORC) Chapter 125 or as a construction contract under ORC Chapter 153. A number of factors affect the determination, such as:

- Building component or system affected
- Need for professional design services
- Need for permits
- Whether the outcome returns the building to its original state or an improved state

OFCC will make this determination with information from the owner agency. For more information, see: Tests for Determination of Construction Procurement Handbook, Chapter 11

## WHO MANAGES THE PROJECT?

Depending upon the value of the project, and whether it is construction or M/R, projects can be managed by the owner agency, a DAS-contracted third party administrator (TPA), an OFCC Local Administration Consultant (LAC), or by OFCC.

Project Value		Project Type		Project Management Options			
Low	High	M/R	Construction	Agency	DAS TPA	OFCC LAC	OFCC
\$ 0	\$ 214,999	X		X	X		
\$ 0	\$ 214,999	X	X	X	X		
\$ 215,000	\$1,499,999	X		X	X		
\$ 215,000	\$1,499,999		X	X		X	X
\$1,500,000	and above		X				X

## LOCAL ADMINISTRATION

For construction projects between \$215,000 and \$1,500,000, OFCC may grant local administration to state agencies to manage these projects themselves. Agencies must apply for local administration through OAKS-CI. If approved, agencies must follow construction procurement processes under ORC 153.

## BEST PRACTICES FOR MANAGING A LOCALLY ADMINISTERED PROJECT

There are a number of ways to efficiently manage a small project to balance quality, cost, and schedule.

### Planning

The OFCC Planning and Projects team help agencies create the quickest and most efficient plan for the entirety of their construction work over the biennium. Which project(s) must come first? How does one project affect another? Can projects be combined by location or trade? Can Controlling Board approval be consolidated for multiple projects? OFCC can assist with determining these answers.

## Pre-qualified Lists

Agencies can hire a design professional quickly using OFCC Consultant Lists, which have already completed some of the procurement steps, including Controlling Board approval. Using this expedited process, agencies can hire a consultant in as little as two weeks.

## Hiring a Dedicated Agency Local Administration Consultant (LAC)

Depending upon availability of agency and OFCC in-house staff, it may make sense to hire a LAC firm to provide dedicated project managers or project coordinators through OFCC. The scope of administration services would be developed jointly by OFCC and the agency to manage those designated projects.

## Avoiding Rebids

Delays from rebids may be traced to unrealistic cost estimates, overly restrictive specifications, or inadequate advertisement. Good planning will minimize these risks. Regarding bidding, agencies may use OFCC's electronic bidding system to maximize exposure of the bid opportunity to the contractor community, potentially avoiding the need for re-advertising.

## ABOUT OFCC

OFCC is responsible for guiding capital projects for state agencies, state-supported universities and community colleges, including Ohio's comprehensive public K-12 school construction and renovation program. The Commission also manages grant programs for cultural facilities, school security, community school classroom facilities, and lead plumbing fixture replacement in schools.