



JOHN CHIANG
California State Controller

December 30, 2008

To: ALL PUBLIC AGENCIES

Re: Notification Letter - Assembly Bill 1047 (Chapter Number 144, Statutes of 2007)

To Whom It May Concern:

This letter is to inform you of the provisions and benefits found in the Uniform Public Construction Cost Accounting Act (Act), which provides public agencies economic benefits and greater freedom to expedite public works projects. If your agency elects to follow the cost accounting procedures set forth by the California Uniform Construction Cost Accounting Commission in its cost Accounting Policies and Procedures Manual, it will benefit from an increased bid limit and a more informal bidding procedure.

Established in 1983, the CUCCAC has provided the State Controller with recommended policies and procedures for public projects. The Commission membership is comprised of representatives from both public agencies and private industry. Every five years, the CUCCAC reviews the informal bid limits for inflation and other factors to determine whether increases should be made. The last limit increases were in July 1, 2005, which allow projects costing \$30,000 or less to be performed by employees of a public agency by force account, projects costing up to \$125,000 be let to contract by informal bidding procedures, and projects over \$125,000 be let to contract by formal bidding procedures.

Any city, county, redevelopment agency, special district, school district, and community college district can voluntarily elect to become a participant of the Act. After opting into the Uniform Public Construction Cost Accounting Act by resolution of its governing board, participants enjoy the advantage of the streamlined awards process, as well as reductions in advertising to reporting paperwork. In return, the signatory agency agrees to provide cost accounting information in the format prescribed in the Cost Accounting Policies and Procedure Manual and to adhere to the terms of the Act until the agency formally opts out. For more details or contact information, Division of Accounting and Reporting at (916) 327-4144 or visit our website at <http://www.sco.ca.gov/ard/local/cuccac>.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Chiang", is written over the typed name and title.

JOHN CHIANG
California State Controller