

The following table outlines the approved revisions to the Real Property Construction In Progress Requirements (RPCIPR) document that was approved by the Domain Governance Board on October 16, 2006.

Page Number	Current Statement	Proposed Change
8 Appendix D: Business Rules (OV-6a)	A project may include one or more real property assets and corresponding RPUIDs. All costs to be capitalized for a construction project will be accumulated in the CIP account. A CIP account may be linked to multiple RPUIDs to provide traceability for all construction costs incurred. A reasonable allocation methodology should be established to assign project costs incurred to RPUIDs. To achieve this objective, upon contract award and modifications, if material, the contractor shall be required to provide the government with the estimated cost of each RPUID based on the contract amount. This information will be required to provide the government with a basis to establish, organize, and map CIP accounts to RPUIDs. As costs are incurred and accumulated in the CIP account, the costs shall be prorated across all of the RPUIDs in accordance with the cost distribution established. Thus, the full cost of real property assets can be adequately captured and reported. While this requirement does not alter the structure of contract solicitations, contract line (CLIN) structures, and the structuring of construction invoices from the contractor, it will standardize the practice of when and how costs are allocated to RPUIDs.	<p>1) On page 8, change the paragraph as follows:</p> <p>A project may include one or more real property assets and corresponding RPUIDs. All costs to be capitalized for a construction project will be accumulated in the CIP account. A CIP account must be linked to at least one RPUID but may be linked to multiple RPUIDs to provide traceability for all construction costs incurred. A reasonable allocation methodology should be established to assign project costs incurred to all corresponding RPUIDs at the time of interim acceptance.</p> <p>2) Add this paragraph as a new business rule to OV-6a</p>
10	Figure 2	See attachment A for the revised figure.
22	Page 22: Relieve CIP/WIP Corresponding OV-6c	<p>At the time of interim acceptance, all corresponding RPUIDs must be identified and the project cost must be assigned to all RPUIDs using a sound allocation methodology, before the asset records are updated in the inventory system and CIP is relieved.</p> <p>See attachment B for the revised OV-6c process flow.</p>
Appendix D: Business Rules (OV-6a) Page 30: Business Rule #5	<p>The terms and conditions of a contract must include a provision, where applicable, that requires the supplier to provide estimated costs by Real Property Unique Identifier(s) on invoices. A reasonable allocation methodology of costs will be determined after contract award for auditability.</p> <p>Process: Develop or Modify Contract or Order</p>	Deleted
Page 33: E.1.2	At the creation of the CIP account, for work to be completed on either an existing facility or a new construction, at least one RPUID must be obtained from or assigned by the real property accountable Component. Upon receiving official authorization to perform work on a real property construction project, the sponsoring entity will obtain an RPUID from the real property accountable Component where the asset will be constructed. The CIP account must be tracked by the project number and associated with the RPUIDs. RPUIDs will link the design and construction costs accumulated in the CIP account to specific real property assets.	<p>Change the first paragraph under “Process” as follows:</p> <p>At the creation of the CIP account, for work to be completed on either an existing facility or a new construction, at least one RPUID must be obtained from or assigned by the real property accountable Component. Upon receiving official authorization to perform work on a real property construction project, the sponsoring entity will obtain an RPUID from the real property accountable Component where the asset will be constructed. The CIP account must be tracked by the project number and associated with at least one RPUID.</p>

Legend:

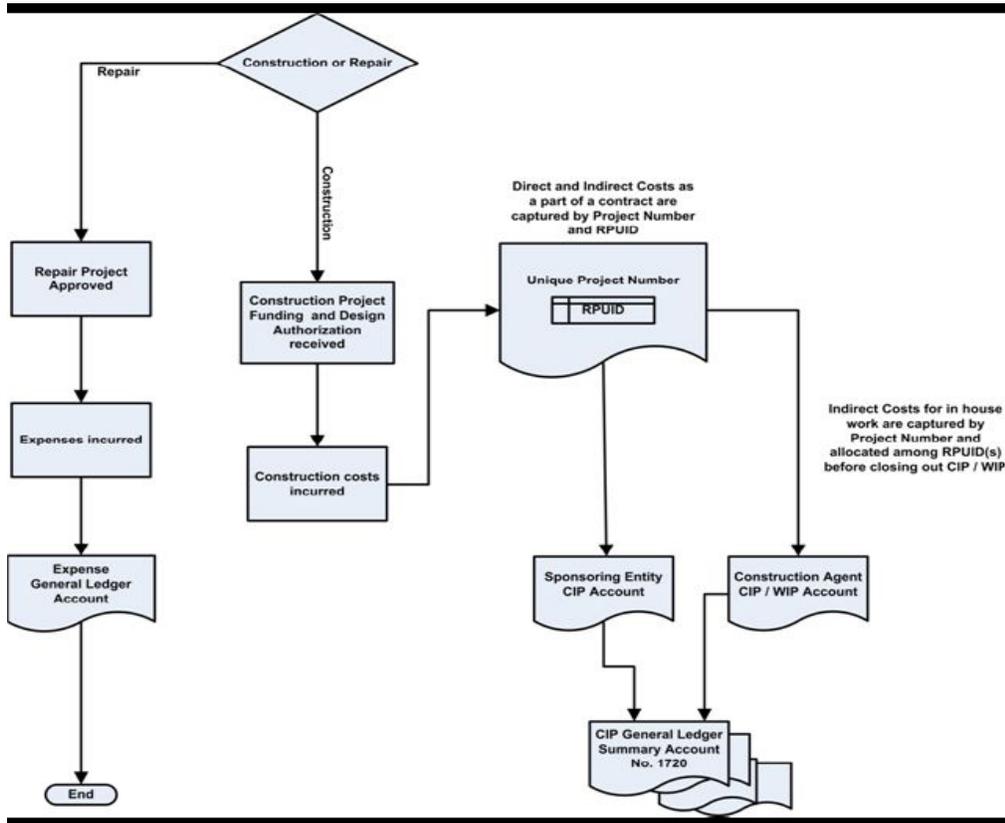
CIP: Construction in Progress

RPUID: Real Property Unique Identifier

WIP: Work in Progress

Attachment A

Figure 2: Relationships among a construction project, RPUID and CIP accounts.



Attachment B

Real Property Accountability (RPA) – Construction In Progress (CIP) process

