

Approval of Revisions to Regent's Policy 05.12.040

CURRENT LANGUAGE WITH TRACK CHANGES for PROPOSED LANGUAGE CHANGES

**P05.12.040. Capital Project Development: General.**

- A. Capital projects shall be developed through a series of approvals, reports, and other processes designed to provide various members of the campus, the local community, the system office administration, and the board with meaningful involvement in the planning and outcome of the projects. The approval and reporting processes are intended to identify significant decision points and changes in the projects, particularly decisions and changes that affect the project scope, budget or schedule, early enough for the respective approval authority to participate effectively in decision making. Except for Major Maintenance Projects, In general, all projects with a Total Project Cost in excess of \$0.5 million exclusive of movable equipment will be developed and completed through the following approval and reporting phases and processes:
1. Preliminary Administrative Approval – Authorization to plan a project and to develop a Project Agreement documenting the programmatic need, scope and estimated cost of the project;
  2. Formal Project Approval – Authorization to develop the basic design of the facility or project through creation of a schematic design;
  3. Schematic Design Approval – Authorization to complete the design of the facility or project, to develop construction documents, and, subject to no material changes, bid and award a contract;
  4. Project Change Approval – Authorization to modify the project budget or scope after schematic design approval;
  - ~~45.~~ Pre-Bid Project Report – Report on the results of the final design process;
  - ~~56.~~ Construction Contract Award Report – Report on the results of the bid process and award of a contract; and
  - ~~67.~~ Final Project Report – Report on wrap-up of the project.
- B. In addition, semi-annual construction in progress reports will provide information on the status of all projects with a total project cost in excess of \$0.5 million exclusive of movable equipment.

C. Major Maintenance Projects

1. Projects which consist primarily of major maintenance work, including projects which reduce the backlog of deferred maintenance (Major Maintenance Projects), will be approved by the Board as an annual program of projects at the June meeting when the new fiscal year appropriation is accepted. Changes to the Board-approved program must be approved by the chief finance officer, with notice to the board at its next meeting.
2. Major Maintenance Projects with a Total Project Cost in excess of \$0.5 million but not greater than \$2.0 million must be submitted for Schematic Design Approval and will require a Construction Contract Award Report.
3. Major Maintenance Projects with a Total Project Cost greater than \$2.0 million are subject to all approval and reporting requirements.

ED. For all projects with a total project cost of \$0.5 million or less exclusive of movable equipment, the university's chief finance officer may prescribe approval and reporting processes.

(09-18-03)

PROPOSED FINAL LANGUAGE

**P05.12.040. Capital Project Development: General.**

- A. Capital projects shall be developed through a series of approvals, reports, and other processes designed to provide various members of the campus, the local community, the system office administration, and the board with meaningful involvement in the planning and outcome of the projects. The approval and reporting processes are intended to identify significant decision points and changes in the projects, particularly decisions and changes that affect the project scope, budget or schedule, early enough for the respective approval authority to participate effectively in decision making. Except for Major Maintenance Projects, projects with a Total Project Cost in excess of \$0.5 million exclusive of movable equipment will be developed and completed through the following approval and reporting phases and processes:
1. Preliminary Administrative Approval – Authorization to plan a project and to develop a Project Agreement documenting the programmatic need, scope and estimated cost of the project;

2. Formal Project Approval – Authorization to develop the basic design of the facility or project through creation of a schematic design;
  3. Schematic Design Approval – Authorization to complete the design of the facility or project, to develop construction documents, and, subject to no material changes, bid and award a contract;
  4. Project Change Approval – Authorization to modify the project budget or scope after schematic design approval;
  5. Pre-Bid Project Report – Report on the results of the final design process;
  6. Construction Contract Award Report – Report on the results of the bid process and award; and
  7. Final Project Report – Report on wrap-up of the project.
- B. In addition, semi-annual construction in progress reports will provide information on the status of all projects with a total project cost in excess of \$0.5 million exclusive of movable equipment.
- C. Major Maintenance Projects
1. Projects which consist primarily of major maintenance work, including projects which reduce the backlog of deferred maintenance (Major Maintenance Projects), will be approved by the Board as an annual program of projects at the June meeting when the new fiscal year appropriation is accepted. Changes to the Board-approved program must be approved by the chief finance officer, with notice to the board at its next meeting.
  2. Major Maintenance Projects with a Total Project Cost in excess of \$0.5 million but not greater than \$2.0 million must be submitted for Schematic Design Approval and will require a Construction Contract Award Report.
  3. Major Maintenance Projects with a Total Project Cost greater than \$2.0 million are subject to all approval and reporting requirements.