

## **Process for Regental Approval of Capital Projects**

Priorities for major capital projects are reviewed and discussed at the monthly meetings of the Capital Projects Committee (Provost, CFO, VP Development, VP&Secretary, VP Governmental Relations, AVP Finance & Strategy of Health System). Project financial plans, programs and timing for Regental approvals are also reviewed and finalized at these meetings.

The brief description below outlines the current process for gaining Regents approval for major construction projects (over \$500,000) once the projects are approved by appropriate executive officers. All steps require close coordination between the user of the space and Plant Extension/AES to achieve the needed deliverables and sign-offs.

### **Prior to First Presentation to Regents**

Prior to any formal presentation to Regents, all projects go through the following definition of need and initial planning/review steps:

- 1- Identify need or opportunity
- 2- Plant Extension and/or architectural firm begins working with user to develop program and preliminary budget
- 3- Identify potential location/building sites (if applicable)
- 4- Begin architectural firm selection process (see attached)

### **Regental approval for projects of limited scope, primarily infrastructure, or interior renovation projects without significant external modifications: Approval To Proceed With Project**

#### Prior to Regental Approval

- 1- Select A/E (architect/engineer)
- 2- Prepare written program statement that includes items 4, 5, and 6 below
- 3- Begin DD (design development) and SD (schematic design) drawings
  - And, CD (construction documents) drawings if A/E work is done in-house
- 4- Identify funding source
  - Get internal approvals by client
- 5- Prepare detailed cost estimate (and confirming estimates if deemed appropriate by PE)
- 6- Prepare project budget
- 7- Develop preliminary schedule
- 8- Obtain other approvals
  - HEB approval of hospital projects
- 9- Make application for CoN (Certificate of Need) for Hospital projects
- 10- Transfer a minimum of 20% of project budget to project plant fund

#### Following Regental Approval

- 1- Issue for bids
- 2- Transfer total project budget funds to project plant fund
- 3- Award contract(s) if within approved budget

## **Regental Approval for Large Projects (generally three separate submissions)**

### **1. Approval of Project and Authorization to Appoint Architect (*request for authorization to appoint architect may be submitted separately*)**

#### Prior to Regental Approval

- 1- Develop preliminary estimate
- 2- Identify funding source and obtain written approval thru new project form
- 3- Develop preliminary schedule
- 4- Develop a program and concept that defines the needs of the project (either in-house or by outside firm) and obtain approval from sponsoring EO (typically Provost or EVPMA)
- 5- Do or complete architectural firm selection
- 6- Make application for CoN (Certificate of Need) for Hospital projects (if applicable)
- 7- In some cases, begin SD (schematic design) as needed
- 8- Transfer 10% of project budget to the project plant fund

#### Following Regental Approval

- 1- Begin SD (schematic design) or DD (design development) drawings (as appropriate)

### **2. Approval of Schematic Design (*may be skipped if no changes to exterior design elements*)**

#### Prior to Regental Approval

- 1- State funded projects require State approval of schematic design
- 2- Continue development of SD drawings and prepare for presentation before the Regents (if there is to be one)
- 3- Review Schematic Design with President, sponsoring Executive Officer and user (typically the Dean)

#### Following Regental Approval

- 1- Continue the DD (design development) and start the CD (construction documents) drawings phase

### **3. Authorization to Issue the Project for Bids and Award Construction Contracts (*may include a request for Approval of Revised Budget*)**

#### Prior to Regental Approval

- 1- Review and amend the preliminary schedule as needed
- 2- Prepare a DD (design development) or CD (construction documents) estimate
- 3- Update and/or confirm prior budget
- 4- Finalize detailed financial plan (debt, equity, gift bridge)
- 5- Assess and plan for impact on parking
- 6- Assess costs per square foot
- 7- Obtain other approvals
  - HEB approval of hospital projects
  - Provost or EO approval if major changes in scope or design within the budget
  - Various departmental approvals

#### Following Regental Approval

- 1- Begin Process for Issuing Project for Bids
- 2- Transfer all funds to project plant fund
- 3- Award contract(s) if within approved budget

## ARCHITECT/ENGINEER SELECTION PROCESS

Based on Section 2.5 of the University Architect's Office  
Project Management Procedures Manual Dated May 1996

Generally, for our major projects, our Architect/Engineers (A/E) are selected through a formal process that involves input and participation by several University representatives. The representatives are selected based on logical relationships to the project for which the A/E is being selected.

The first step in the process is to form the selection committee. The selection committee is generally chaired by the University Architect. The University Planner and the Director of Plant Extension are also common members of the selection committee. Other committee members are determined by the make-up of the project to be designed. For example, a project to create and/or renovate space for the College of LS&A would include a representative from the Dean's Office, a facility representative from the college, and individuals to speak for the departments involved in the project. Projects that have a heavy focus on maintenance or parking would involve representatives from those University organizations.

A "long list" of A/E candidates is formulated by the University Architect's Office with input from the members of the committee as appropriate. Ideally, the long list should include no more than ten or twelve firms.

A draft of a request for proposal (RFP) is prepared by the University Architect's Office and shared with the members of the selection committee for additions or corrections. The RFP is mailed to the firms on the long list under a cover letter that gives instructions, such as number of proposal copies, where to send them, and the date and time they are due. The RFP will generally include the following subject matter:

- 1) Description of the project
- 2) A list of important assumptions for the project
- 3) A list of the criteria that will form the basis of the selection
- 4) A preliminary time frame for the overall project
- 5) Format and content instructions for preparing the proposals

A subcommittee is delegated the responsibility to read all of the proposals that are received and narrow the long list down to three or four A/E firms that will become what is referred to as the "short list." The A/E firms on the short list are then interviewed by the full selection committee. This group of interviews ideally takes place in a single day and will involve a one hour period with each A/E firm.

Time is reserved at the end of the day of interviews for the committee to deliberate and reach consensus on a single A/E firm, selected to eventually be recommended to the Executive Vice President and Chief Financial Officer (EVP&CFO). The committee is instructed to keep the recommendation confidential until the Regents render the final approval.

Finally, a draft Regents' Action Request is prepared and provided to the Associate Vice President for Business Operations to use in forwarding the recommendation on to the EVP&CFO. In turn, the EVP&CFO reviews this recommendation with the President as the agenda for the Regents' meeting is reviewed. The formal selection is then made via approval at the Regents' meeting.