

Approval Requirement: Prior approval of the Board of Trustees is required for the following:

1. planning and implementation of a Capital Project for which the estimated cost would exceed \$5,000,000; and
2. the implementation of a Capital Project that the University Zoning Administrator and the Campus Infrastructure Planning Work Group (CIPWG) has determined would result in a material change to the landscape or would be inconsistent with the Campus Land Use Master Plan.

For purposes of this Policy, “Capital Project” means a project that requires a long-term substantial investment to acquire, plan, build, renovate or maintain the University’s land, buildings, roads, and other infrastructure. Such projects are typically coordinated through Infrastructure Planning and Facilities (IPF) and require substantial planning and design. Other types of projects that could also fall under this Policy include public private partnerships (P3) and leasehold improvements. This Policy is not intended to apply to projects whose approval is covered under the Board policies applicable to real property or the acquisition of capital assets such as furnishings and equipment.

Procedures. The Administration shall prepare written procedures for obtaining the required Board of Trustees approval. The written procedures will specify the types of approvals necessary for a particular project and whether more than one approval is required to proceed with the project. When preparing the written procedures, the Administration will take into account project factors that include:

1. the level of design and planning services,
2. costs to be incurred prior to budget development, and
3. ownership of the project (owned, leased or P3)

Emergency Construction. If an emergency (such as damage or destruction resulting from fire, flood, or explosion) compels immediate action involving construction so that waiting to obtain Board of Trustees approval would jeopardize, for example, the safety, security, or viability of a building or increase the later cost of restoration or replacement, the Administration is authorized to undertake and continue to implement measures to secure the building and to remediate the damage or destruction arising from the emergency, and to approve work necessary in light of the circumstances, even though no Board approvals for that project have been obtained. In such a situation, the Vice President for Strategic Infrastructure Planning and Facilities (VPSIPF) shall follow the notification process described below.

Changes During Approved Construction. Approval of a Capital Project also authorizes the Administration to award contracts and incur other costs on the project that exceed the approved budget, but in total, do not exceed the approved project budget by more than ten percent. If during the performance of construction approved under this Policy an unforeseen exigent condition or

occurrence is identified that requires immediate action, the Administration is authorized to undertake and continue to implement measures to resolve or remediate the unforeseen exigent circumstances and to approve work necessary in light of the circumstances, even though such action may result in total construction project expenses exceeding the approved budget by more than ten percent. In such a situation, the VPSIPF shall follow the notification process described below.

Notification Process. Upon the occurrence of an emergency requiring immediate construction planning and implementation or upon the discovery of an exigent circumstance that is likely to result in total construction project expenses exceeding the approved budget by more than ten percent, the VPSIPF will promptly notify the Executive Vice President for Administration (EVPA) who will inform the Chair of the Trustee Committee on Budget and Finance of the situation, provide information about the emergency or the exigent circumstances, identify the project costs (as known at the time), and identify the planned source of funding for the new or additional costs. The Trustee Committee on Budget and Finance will be apprised of the information previously provided to the Chair at its next scheduled meeting unless requested earlier. The VPSIPF will add to the file a written memorandum that will include the EVPA's approval of expenditures, the information discussed with the Chair of the Trustee Committee on Budget and Finance and a description of the circumstances precipitating the costs. The Board shall receive a copy of the file memorandum. Once final costs are determined, a project budget, for emergency construction, or an amended project budget, reflecting additional work on an approved project due to exigent circumstances will be presented to the Board for approval.

Enacted: 7/24/81

Amended: 9/13/02, 10/10/13, 4/13/06, 2/22/08, 1/25/13, 4/12/19