

Policy Title: Capital Project Approval Process

Policy Summary: Process for Approving and Implementing Capital Projects

Policy Category: Administration & Operations

Policy Owner: Facilities Planning & Management

Policy Summary

This policy establishes a formal process for approving and implementing Capital Projects at Drake University.

Purpose

To establish a formal process for the identification, prioritization, approval, development, and delivery of Capital Projects.

Scope

This policy applies to all Capital Projects as defined in this policy.

Definitions

Capital Project – Subject to the exclusions below, a Capital Project provides for the construction, repair, or improvement of buildings or grounds, including new construction, additions, renovations, repairs, safety and ADA modifications, and major equipment and furniture installations. Exclusions include:

1. Major technology systems upgrades or projects that are exclusively technology based. These projects are managed separately by Information Technology Services (ITS).
2. Deferred maintenance or major building repairs, which are managed by a prioritization process led by Facilities Planning & Management and submitted annually to the Board of Trustees.
3. Classroom upgrades, which are jointly managed by ITS and Facilities Planning & Management, and are subject to a master upgrade plan and a separate prioritization process.
4. Small projects, including the purchase of equipment and furniture, with a total budget of less than \$5,000. These projects are managed through Facilities Planning & Management using the work order request system.

Capital Planning Committee – the Committee responsible for reviewing Capital Project requests and making recommendations to the President regarding which projects should proceed.

Members Include:

- Chief Administration Officer
- Chief Financial Officer
- Executive Director, Facilities Planning & Management
- Planning and Design Manager
- Facilities Planning & Management Project Manager

Project Request Form – The form required to initiate a request for a Capital Project.

Project Sponsor – The individual responsible for the Capital Project request submission.

Senior Level Administrator – Senior Level Administrator refers to those administrators with responsibility for multiple departments and who report directly to the President.

Policy

Approval Authority

All Capital Projects must be approved by the Capital Planning Committee and managed by Facilities Planning & Management. Capital Projects over \$1 million or that significantly alter a feature or building of the campus require Board of Trustees approval.

Project Capital Funding Requirements

As part of the Capital Project approval process, funding must be identified and confirmed prior to initiating work on a Capital Project.

Project Request Form

To begin the Capital Project planning process, an electronic [Project Request Form](#) must be submitted to Facilities Planning & Management.

Project Review Timeline

Standard Project Timeline

In order to ensure sufficient time for project planning, Capital Projects will generally follow a standard annual timeline as outlined below.

Project Request Form Submission	Committee Review	Feasibility Stage	Design/Pre-Construction Planning	Construction
Deadline: June 15	July	July - September	October – February	March - August

The timeline for design and construction outlined above may vary depending on the type of project, available funding, and other strategic and operational factors.

Out of Cycle Timeline

There may be instances where strategic, funding or other operational needs require project requests be reviewed outside the standard timeline. In order to have the proposed project considered outside the standard project review cycle, the Project Sponsor, using the Project Request Form, must submit information as to the strategic, funding or operational need for such consideration. In addition, before considering a Capital Project Request outside the standard timeline, the Capital Planning Committee will solicit input and approval from the applicable Senior Level Administrator.

Even in cases where projects are fully funded or strategic requirements require an out of cycle review, the timeline for Capital Project implementation may be subject to other considerations, such as availability of internal Facilities Planning & Management resources and capacity, city permitting or zoning processes, Board of Trustees approval, and scheduling the work at a time that is least disruptive to the campus community. Optimal planning time is generally 6-12 months, depending on the scope and complexity of the proposed Capital Project.

Projects Requiring University Budget Approval

In cases where the funding of a Capital Project requires approval through the University's annual budget process, Facilities Planning & Management involvement is necessary to ensure sufficient funding is requested during the budget approval process. This process begins with submission of a Project Request Form. In most cases, the Project Request Form should be submitted at least four (4) months prior to the budget request due date.

Capital Project Planning Committee Review

The Capital Planning Committee will review submitted project requests. The Capital Planning Committee will rank the projects and assign a priority, using the following criteria:

- How well does the project align with University strategy and mission?
- How well does the project support new or growing programmatic needs?
- What is the proposed composition and availability of funding sources?
- What are the project's benefits when compared to the project's costs?
- Does the project advance the sustainability goals of the institution?

Project Sponsors will be notified if their requested project is approved to proceed to the Project Feasibility phase.

Project Feasibility Phase

During the Project Feasibility Phase, a project summary will be developed by the Facilities Planning & Management team and submitted for review by the Capital Planning Committee.

The following are among the steps that may be taken during the feasibility phase:

1. Detailed Scope Definition:
 - a. Measuring and drawing development of existing space
 - b. Analyzing various locations on campus that provide the best fit for the requested use
 - c. Meeting with the Project Sponsor to develop detailed programming needs (and elaborate on items listed on the Initial Project Request Form)
 - d. Developing concepts in block-diagram form to determine if space is adequate to meet program needs
 - e. If required, conducting initial code review with City of Des Moines staff to determine if the proposed project conforms with building and fire codes
 - f. Identifying areas requiring further study during the design phase to confirm feasibility assumptions

2. Preliminary Project Budget:
 - a. Developing a project budget based on historical data of similar type projects on campus
 - b. Utilizing consultants to capture pricing for special conditions
 - c. Providing a summary of anticipated design and construction resources (in-house Facilities Planning & Management work vs. outside architect/contractor)

3. Project Funding Plan and Cash Flow Analysis:
 - a. Confirming all funding sources to ensure there will be no funding shortfalls for the Capital Project
 - b. Developing a project funding plan and cash flow analysis in consultation with the Office of Finance/CFO

4. Timeline/Project Schedule:
 - a. Developing a schedule outlining major decision milestones
 - b. Determining the best schedule to complete the work based on resources available

It may be necessary to engage an outside consultant to capture design intent and/or pricing for the proposed project. If needed, the Capital Planning Committee will request funds be made available by the Project Sponsor to capture the appropriate feasibility information needed. If no funds are available, the project will be removed from the feasibility phase until sufficient funding is available.

The procurement of architectural services, engineering services, construction managers and any specialized consultants related to the planning, design and construction of University facilities are the responsibility of Drake Facilities Planning & Management. However, the cost of such services shall be incorporated into the project budget.

Design and Construction Phase

In consultation with the Project Sponsor and the applicable Senior Level Administrator, the Facilities Planning & Management staff will submit a complete summary for each project approved for the Feasibility Study phase for consideration and approval to the Capital Planning Committee. The Committee will review the overall scope of the project, project funding plan, and resources available to complete the work to determine if the project is approved for Design and Construction.

Once a Project Request has been authorized to proceed to Design and Construction, a Capital Project Number will be assigned through the Office of Finance. That project number and any associated FOAPAL numbers will be recorded in the project file and made accessible to the Facilities Budget Manager for payment processing.

During all stages of design and construction, Facilities Planning & Management will adopt processes and structures to ensure ongoing communication and collaboration with the Project Sponsor, the department and department budget manager, applicable Senior Level Administrator and appropriate project stakeholders (such as building occupants). In some cases, such as larger construction projects, a formal steering committee will be formed for this purpose.

Design Phase

The Design Phase requires Schematic Design, Design Development, Construction Documents, and Bidding. Each of these milestones include further refinement and discovery of the scope outlined in the Feasibility Stage of Capital Project Development.

Any scope items identified during the Design stage that are in addition to the originally approved scope of work, are required to be submitted to the Capital Planning Committee for consideration as part of the Capital Project. A revised capital funding plan is required to ensure funding sources will be adequate for the change in scope.

Construction Phase

Project construction will begin after bids have been received and Facilities Planning & Management has confirmed that the scope of the project is within the approved project budget.

If the project bids come in over budget, Facilities Planning & Management will work with the Design and Construction team and Project Request team to conduct a value analysis to reduce scope and manage the project timeline to meet the project budget.

Project Closeout

At the completion of the Project, Facilities Planning & Management will send a project summary to all parties involved including the Project Sponsor, the applicable Senior Level Administrator, the Capital Planning Committee and other key stakeholders. The summary will highlight the scope of work completed, timeline and budget review.

Facilities Planning & Management will identify any on-going punch list items and schedule an 11-month walk-through of the project site to determine any contractor warranty items and will work with Finance to closeout all invoices and payments within a reasonable time after project completion.

Last Review Date: N/A

Effective Date: February 2021

Resources and Related University Policies:

- [Initial Capital Project Request Form](#)
- [University Approval Authority Policy](#)