campus administrative policy

chapter 300: administration and finance

# building planning, design and construction

## CONSTRUCTION PROJECT APPROVAL POLICY

### PURPOSE & SCOPE

Capital planning integrates planning and budgeting processes while embracing and supporting the University's long-term goals and priorities for responsible growth and development. Campus divisions or departments considering capital projects must follow the steps outlined in this document to ensure each project adheres with University regulatory and budgetary requirements. No allocation or expense of funds shall occur, nor shall any projects be presented to prospective donors until the individual project has been through the approval process outlined in this document.

Cal Poly Facilities Planning & Capital Projects (“FPCP”) has been delegated responsibility for the management and oversite of **all** University projects. FPCP may further delegate management and oversight of capital projects to the Cal Poly Corporation (“CPC”) or Associated Students Incorporated (“ASI”). In collaboration with California State University Capital Planning Design and Construction (“CSU-CPDC”), FPCP works to complete hundreds of projects annually for the University. Each project has specific regulatory and procedural requirements depending on the total estimated project cost and its associated classification under the public contract code (“PCC”) as a major or minor capital project. Capital projects are broadly defined to include all new construction, alteration, renovation, repair, and infrastructure improvements. This policy is intended to document Cal Poly’s capital planning and project approval process, ensure review and approval by the appropriate campus stakeholders in consideration with the University’s priorities, campus master plan, and strategic plan.

### Definitions

**Capital Project:** As defined under PCC 10701, includes the erection, construction, alteration, painting, repair, or improvement of any state structure, building, road, or other state improvement of any kind.

**Major Capital Projects:** capital projects where the estimated total project costs exceed PCC 10108 thresholds. For fiscal year 2019-2020, that amount is $709,000. State site acquisition projects, regardless of amount, are funded in major capital outlay.

**Minor Capital Projects:** capital projects where the estimated total project cost falls below the defined threshold for major capital projects set by PCC 10108.

**Project Concept Authorization Request Form:** the official document utilized by the University to recommend or initiate capital projects. Regardless of the funding source being utilized, this form must be completed with the appropriate authorization granted prior to funds being expensed.

**Project Sponsor:** the Associate Vice President, Dean, University Librarian, or Athletic Director who will be sponsoring a construction project.

**Project Manager:** an individual appointed by FPCP responsible for the management and coordination of design and construction for all capital projects.. Responsibilities include development of capital project programs, project budgets and project coordination from concept through planning preparation for bidding, construction inspection, and contract closeout.

**Campus Planning Committee:** serves as an advisory body to the President to assist in coordination, development and control of a long-range plan for physical development of the campus within the framework of policy established by the Trustees of the California State University.

**Space Management Committee:** responsible for the management of space or allocation of space on the Cal Poly campus. This committee does not provide project scopes or approve funding.

**Construction Strategic Procurement:** strategy to maximize the value of every construction project on campus which can be accomplished through a collaborative approach with stakeholders, general contractors, design professionals, and trade contractors. Typical strategies may include planning, sourcing, negotiations, and performance based contracting that is led by Strategic Business Services and FPCP.

**Feasibility Study:** the firstsignificant step to facility planning/programming and design. The goal is to establish the scope of the project andestimate an accurate cost range. Subsequently, a feasibility study will identify key issues; analyze and narrow alternatives to a preferred solution; identify reasons to proceed or not proceed; and providedocumentation that all options were thoroughly investigated. This report will be a major factor inmaking the decision to maintain the current facility, to renovate, to add on or to construct a new facility. Finally, thestudy will analyze and recommend the type of construction delivery method most appropriate for the proposedproject.

**Programming Study:** defines the needs of the user. This includes defining a project’s functional needs and interior and exterior functional requirements including space sizes, contents, activities and relationships. A project program serves not only as a basis for design and a source for information about a project, but frequently as a basis for seeking funding. The programming process concludes with a clear and orderly statement of the problem. Project programs establish quality and scope. Quality is often defined abstractly in the project goals and more specifically in the project program. Scope is clearly defined and incorporates the following factors:

* Definition of the users and the purpose of the request
* The functions and programs
* The assigned square feet of the proposed facility
* Infrastructure and technology
* Site selection

**Design:** accomplished in multiple phases and reflects plan arrangements, specific space accommodations, equipment and furnishings, building configuration, materials, colors and complete layouts of all mechanical and/or electrical systems serving the project.

**Schematic Design:** the first phase of project design. A range of alternative design concepts and layouts are explored to define the character of the completed project.

**Construction Drawings:** preparation of drawings and specifications establishing the requirements for the construction of the project. The construction drawing documents describe the quality, configuration, size and relationships of all components to be incorporated into the project. Construction drawings and specifications must be consistent with the project program, the construction budget and the project schedule**.**

**Facilities Infrastructure Improvements:** projects to correct structural and health and safety code deficiencies by addressing fire and life safety problems and promoting code compliance in existing facilities. Projects include seismic strengthening, correcting building code deficiencies and failing infrastructure and addressing regulatory changes.

**Renovation:** making existing facilities operable by providing minor interior changes, new furnishings and/or replacing utility building systems.

**New Construction:** the erection of a new building/facility or the addition, expansion or extension of an existing building/facility that adds to the building’s/facilities overall external dimensions. These projects will obligate the University for increased utility and/or operating costs and will add physical space to the campus.

**Total Project Costs:** the costs for the entire project which typically include design/engineering services, project management and inspection services, agency review fees, direct construction costs, furnishings, preliminary investigations/studies, environmental review, temporary facilities, moving costs and any other costs directly or indirectly related to the development of the project.

### Policy Statement

All capital projects must obtain the appropriate approvals, including financing, pursuant to the California State University (CSU) and campus policies, as deemed appropriate. Minor Capital Projects carried out by the CPC are approved independently by the CPC board of directors and are not subject to this section.

### Concept Decision Process

#### Phase 1. Project Concept (Estimated time frame 4-6 weeks)

A Project Sponsor, typically in the form of an Associate Vice President, Dean, University Librarian, or Athletic Director, identifies a facility need to meet anticipated program requirements, and new or renovated facilities appear to provide a viable remedy.

If the Project Sponsor determines the capital project concept viable, it must be brought forward to their respective Vice President/Provost via completion of the ***Project Concept Authorization Request Form*** (“PCARF”) located at (insert web address). The Project Sponsor identifies the project scope, project need, desired location, project description, anticipated budget and timeline for the proposed project. Upon completion of the form, the Project Sponsor routes to the appropriate Vice President/Provost for signature approval and submission to Facilities Customer & Business Services at [facilities-cbs@calpoly.edu](mailto:facilities-cbs@calpoly.edu.%20For). For questions or help with the form, please contact Facilities Customer & Business Services at (805) 756-5555.

If donor funds are anticipated, FPCP will route the PCARF to the Vice President for University Development for review, approval and signature. Financial thresholds for donor funded projects are available in the [Donor Funded Construction Project Policy](https://policy.calpoly.edu/cap/300/cap-320#cap-322), CAP 322.1.

Upon receipt of the signed PCARF, FPCP reviews the form to begin an initial assessment. A predetermined fee will be charged to the appropriate unit/department accordingly for the assessment. The initial assessment will include a review of the project scope, site and historical information related to the project and/or the proposed site and initial review of potential environmental requirements, agency review requirements and effects on other surrounding activities/structures related to the project.  Additionally, the proposed project will be reviewed for conformance to the Master Plan and for any potential impacts related to other specific plans (design guidelines, landscape master plan, utility master plan, etc.).  This effort will require a meeting(s) with the Project Sponsor to understand the programmatic needs, site constraints, timelines and potential funding sources.

FPCP looks at four key areas when developing the initial assessment:

* **Project Scope:** Assessment of what is being proposed to build or renovate, including availability of building systems and support infrastructure. Developing an accurate project scope is critical to a successful project.
* **Estimated Cost Range of the Given Scope:** Most often defined by dollar/gross square foot of comparable projects. The estimated cost will be a high level, preliminary estimate. A range may be given. This estimate must be for the total project costs.
* **Project Time Frame:** A preliminary project time line will be developed indicating approximate task durations. The time line is also used to forecast a general timeline for bid market and construction planning.
* **Environmental and Planning Issues:** Preliminary Assessment of likely environmental issues and processes for complying with the California Environmental Quality Act (CEQA), as well as conformity to existing campus planning documents, as noted above.  This information will be used to assess potential short- and long-term requirements for the projects, which could include functional limits to the project, ongoing monitoring requirements, project scope and schedule constraints.

The format for the initial assessment will be a brief (2-3 page) written or graphic report that will include a recommendation from FPCP on direction for the project for review and approval by the appropriate pathway reviewer noted below. This assessment should not be considered final or binding by any party, but serves as a first look at the project’s potential requirements to establish rough costs for the effort moving forward. FPCP will assign a Project Manager who will serve as the Project Sponsor’s main contact for communication and collaboration throughout the process.

At the conclusion of Phase 1, Project Concept, FPCP will engage with the Project Sponsor to receive approval to move to Phase 2, Presentation of the Concept.

The Project Sponsor should not engage with any architects, engineers or designers.

#### Phase 2. Presentation of Concept (Estimated time frame 3-6 months)

FPCP presents the Project Concept and initial assessment report recommendations to the appropriate parties as listed below for review and approval.

|  |  |
| --- | --- |
| **PATHWAY** | **PATHWAY REVIEWERS/APPROVERS** |
| Path 1: Minor Capital Project  $0 - $50,000 (subject to change) | Appropriate Dean, Department Head or Budget Representative |
| Path 2: Minor Capital Project  $0 - $709,000  (subject to change) | Project Sponsor  Appropriate Vice President/Provost  Vice President University Development, if donor funds being used  Budget Representative  Senior Vice President for Finance and Administration |
| Path 3: Major Capital Project w/out BOT approval  $709,001 - $40,000,000  (subject to change) | Project Sponsor  Appropriate Vice President/Provost  Vice President University Development, if donor funds being used  Campus Planning Committee  Senior Vice President for Finance and Administration  University President, new construction or renovations in excess of $5M  California State University Capital Planning Design and Construction (CPDC) \*approval in subsequent Phase 4 |
| Path 4: Major Capital Project BOT Approval  >$40,000,000  (subject to change) | Project Sponsor  Appropriate Vice President/Provost  Vice President University Development, if donor funds being used  Campus Planning Committee  Senior Vice President for Finance and Administration  University President  California State University Capital Planning Design and Construction (CPDC)\* approval in subsequent Phase 4  California State University Board of Trustees \*approval in subsequent Phase 4 |

*Notes: Dollar threshold defined by CSU CPDC. Current thresholds used are from FY2018-19.*

*All major capital projects are defined by thresholds set by CSU CPDC and are presented to the Campus Planning Committee for concept approval.*

FPCP provides written notification of concept approval or denial to the Project Sponsor. If the project is denied, no further action is needed.

#### Phase 3. Programming (Estimated time frame 6-20 months)

In order to move forward with programming, funds are needed and will be required to be released from the appropriate department/unit to a project account. This phase will not be started without the appropriate funds transferred.

*Major Capital Projects:*

For the approval of Major Capital Projects, FCPC initiates the completed PCARF seeking signature from the Project Sponsor authorizing sign-off approval to proceed with either a feasibility study or programming to include, but not limited to, the following minimum elements.

* Detailed project description
* Department needs
* Conceptual site design
* Conceptual architectural plans
* Conceptual 3-dimensional rendering
* Preliminary utility and technology infrastructure plans
* Total budget estimate
* Yearly recurring utilities and/or operational and maintenance costs
* Clearly identified funding source

For Major Capital Projects, materials are required for review and approval by CSU CPDC. As a public institution, there are numerous requirements related to ADA, fire life safety, seismic safety, energy conservation, public works, insurance, and prevailing wages among others that will affect the design and costs of building on campus.

*Minor Capital Projects:*

For the approval of Minor Capital Projects over $50K, FPCP sends the PCARF and the initial assessment report and recommendations to Budget for confirmation of funds.

For Minor Capital Projects, materials are required for review and approval by CSU CPDC. As a public institution, there are numerous requirements related to ADA, seismic safety, energy conservation, public works, insurance, and prevailing wages among others that will affect the design and costs of building on campus.

#### Phase 4. Budget Confirmation and Notice to Proceed to Design (Estimated timeframe 1-2 months)

Upon approval from the above appropriate representatives, FPCP sends the PCARF, initial assessment, and feasibility analysis with programming study to the Budget Office for review and approval of available funds. This may require additional consultation from The Vice President of Development and Foundation Treasurer regarding donor funded projects to ensure that minimum fundraising thresholds have been met as outlined in the [Donor Funded Construction Policy CAP 322.1](https://policy.calpoly.edu/cap/300/cap-320#cap-322). For all capital projects, units or departments are responsible for creating a funding plan that covers 100 percent of the total project cost of the capital project (including temporary relocation during the project). Each unit must ensure that funding required is available and can be committed in support of the project before a project is approved to proceed.

If all funding thresholds are met, the Office of Budget and Finance drafts a Memorandum of Understanding (MOU) to include project scope, timeline and approved funding source(s). Budget sends the completed MOU to FPCP for distribution to the Project Sponsor.

Once project funds are identified and committed, the funds will be set aside in a project account managed by FPCP.

#### Phase 5. Implementation of Design through Construction (Estimated timeframe design/bid/build 20-48 months)

FPCP communicates with the Project Sponsor and sends the MOU for review and approval to proceed into design, bid and construction. FPCP creates a project folder so that project work can commence. Project funds are allocated from the appropriate sources/accounts and held for use as the project enters various stages.

Working in collaboration with the Project Sponsor, the FPCP project manager manages the project and provides regular communication to all parties throughout the design, and construction processes.

References for CAP 322.2:

1. Date approved by the President: To be determined
2. Effective Date: To be determined
3. Responsible Department/Office: Administration and Finance
4. Revision History: Replaces CAP 322 and removes CAP 323, 323.1
5. Related University Policies, Procedures, Manuals and/or Documents:
   1. California State University Capital Planning, Design and Construction ([CSU CPDC](https://www.calstate.edu/cpdc/))
   2. Cal Poly Facilities Planning and Capital Projects ([FPCP](https://afd.calpoly.edu/facilities/planning-capital-projects/))
   3. [Donor Funded Construction Project Policy, CAP 322.1](https://policy.calpoly.edu/cap/300/cap-320#cap-322)
   4. Project Concept Authorization Request Form (PCARF) (insert hyperlink)
6. Laws, Regulations and/or Codes of practice referred to herein or related to this policy:
   1. Americans with Disabilities Act ([ADA](https://www.ada.gov/regs2010/titleIII_2010/titleIII_2010_regulations.htm#subpartd)) Title III, Subpart D and related sections
   2. [Public Contract Code 10701](https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=PCC&division=2.&title=&part=2.&chapter=2.5.&article=1.)
   3. [Public Contract Code 10108](http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=PCC&sectionNum=10108.)