

Division of Operations and Finance webpage

Resources

Capital Projects Approval

University Capital Construction Project Approvals

The approvals required for a university facility construction project depend on the total project budget, the type of work to be accomplished, and whether the project has any special review conditions. This includes approvals within the university and by the Board of Regents.

Required Approval by the President

The president shall approve the following projects:

- Projects with a total budget of \$2 million or more for construction of a new facility; addition to an existing facility; or alteration, conversion or complete replacement of an existing facility.
- Projects of any budget amount with special review conditions, including:
 - Use of debt, internal university borrowing or gift financing,
 - Potential political, public or university community interest,
 - Siting of permanent improvements or changes to land use,
 - Long-term impacts on multiple university units (other than normal construction disruption or inconvenience) or
 - Agreements with organizations outside the university.
- Although not necessarily a construction project, any acquisition, disposal, sale, lease or easement of real property requiring Board of Regents approval.

[The Capital Project Advisory Committee \(CPAC\)](#) reviews construction projects and real estate actions requiring approval and provides recommendations to the President. Project submissions will be approved by the Senior Vice President, Athletics Director or equivalent senior leader responsible for the unit requesting the project.

Projects will be submitted to Facilities Planning and Management (FP&M) Planning Services, which provides staff support to CPAC and the President. FP&M Planning Services coordinates the meetings of the CPAC Workgroup for an initial review of the projects, schedules with the President's Office and develops the agenda for CPAC meetings, and provides the meeting results to those concerned with the projects. The CPAC Workgroup consists of representatives of FP&M, the Provost, Student Affairs, the Athletics Department, the ISU Foundation and the Controller. The workgroup meets to review capital projects to be proposed for approval by the President. The workgroup acts in an advisory capacity for their respective senior leaders, FP&M and the project proponent(s).

The number and timing of project submittals for CPAC review and approval by the President depends on the type of work and project budget. FP&M will assist university units with the development of the required CPAC submittals. Projects generally require a Project Initiation Request to obtain approval to start developing the project, and a Project Description and Budget to obtain final approval.

The project budget includes all the estimated one-time costs for real estate acquisition, planning, design, management, construction, associated university services, furniture, equipment and technology. A facility is considered to be a building, utility system, road, parking lot, paved walk or other permanent real property improvement.

- Projects for which approval is required only due to special review conditions require the following:
 - Project Initiation Request: Submit for review and approval prior to fund raising, planning, design, construction, or negotiating agreements with parties outside the university. Describe programmatic needs, how existing facilities do not meet current or planned requirements, proposed scope, desired budget, any schedule requirements and planned fund sources. Describe the special review condition in sufficient detail for evaluation.
 - Additional project reviews shall be as requested by CPAC or the President.
 - Approval for fund raising may be for an initial feasibility study with subsequent CPAC review, or for the project, including a feasibility study and actual fund raising if study results are favorable.
- Projects between \$2 million and \$5 million require the following:
 - Project Initiation Request: Submit for review and approval prior to planning, design, and fund raising. Describe programmatic needs, how existing facilities do not meet current or planned requirements, proposed scope, desired budget, any schedule requirements and planned fund sources.
 - Working with the project proponent(s), FP&M will develop a Program Statement for submission to the Board of Regents Office. The Board Office must approve the Program Statement before the start of the project design.
 - Project Description and Budget: Developed with FP&M based on the project design. Submit for review and approval prior to submission to the Board of Regents for project approval. Funds must be available for the full project budget.
 - The Board of Regents must approve the Project Description and Budget and a Schematic Design before a construction contract can be awarded.
- Projects of \$5 million or greater require the following:
 - Project Initiation Request: Submit for review and approval prior to planning, design and fund raising. Describe programmatic needs, how existing facilities do not meet current or future requirements, proposed scope, desired budget, any schedule requirements and planned fund sources.
 - Working with the project proponent(s), FP&M will develop a Permission to Proceed with Project Planning for submission to the Board of Regents, and then a Program Statement for submission to the Board of Regents Office.
 - The Board of Regents must approve the Permission to Proceed with Project Planning, and the Board Office must approve the Program Statement before the start of the project design.

- Project Description and Budget: Developed with FP&M based on the project design. Submit for review and approval prior to submission to the Board of Regents for project approval. Funds must be available for the full project budget.
- The Board of Regents must approve the Project Description and Budget and a Schematic Design before a construction contract can be awarded.
- Subsequent CPAC review and presidential approval of previously approved projects is required for changes to the project budget requiring approval by the Board of Regents, changes in the project location or site, or as requested by CPAC or the president.

No Required Approval by the President

Projects of the following types of work and budgets do not require CPAC review or approval by the president.

- Alterations, conversion, or replacement on the same site, of an existing facility with a budget under \$2 million.
- Maintenance, repair or replacement of existing facility components due to deteriorated condition, obsolescence or life-cycle replacement, of any budget amount.
- Construction work on an existing facility primarily for code or regulatory compliance, or to improve energy efficiency, of any budget amount.

Construction projects over \$100,000 will be initiated by submission of a Project Initiation Request to FP&M Capital Projects, which will then work with the university unit to develop the project and obtain the necessary approvals:

- Projects with a budget between \$100,000 and \$1,000,000 require approval of the Project Description and Budget by the Senior Vice President for Operations & Finance.
- Projects over \$1,000,000 require approval of the Senior Vice President, Athletics Director or equivalent senior leader responsible for the unit requesting the project, and various approvals by the Board of Regents Office or Board of Regents.
 - A Project Initiation Request shall be approved by the appropriate Senior Vice President, Athletics Director or equivalent senior leader and submitted to FP&M.
 - Working with the project proponent(s), FP&M will develop the required submissions to the Board Office or to the Board of Regents, which depending on the project budget can include a Permission to Proceed with Project Planning, Program Statement, and Project Description and Budget.
 - Submissions to the Board Office or the Board of Regents, other than the Program Statement, shall be approved by the appropriate Senior Vice President, Athletics Director or equivalent senior leader prior to being submitted by FP&M or the university. Working with the project proponent(s), FP&M will develop and submit the Program Statement directly to the Board Office.

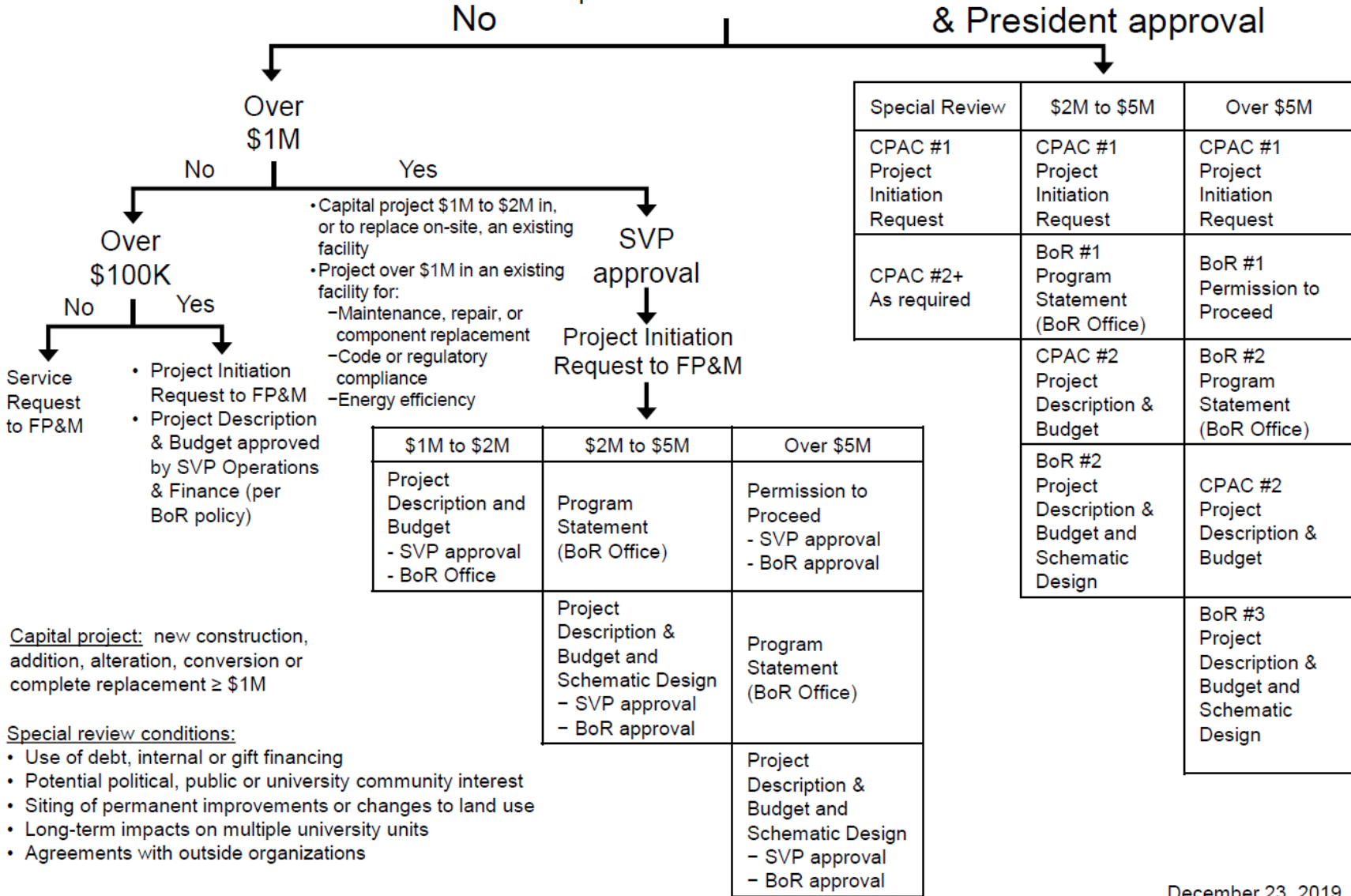
Construction projects under \$100,000 shall be submitted directly to FP&M in accordance with the policies of FP&M and the university division, college, department or other units.

The process for approval of facility construction projects is summarized on the [Facility Project Approval Flow Chart](#) also found on the University Capital Construction Project Approvals webpage.

Facility Project Approval Flow Chart

Capital Project over \$2M or Special Review Condition?

Yes – CPAC Review & President approval



Capital project: new construction, addition, alteration, conversion or complete replacement ≥ \$1M

- Special review conditions:
- Use of debt, internal or gift financing
 - Potential political, public or university community interest
 - Siting of permanent improvements or changes to land use
 - Long-term impacts on multiple university units
 - Agreements with outside organizations

Capital Projects Advisory Committee (CPAC)

Charge

Capital construction projects, building demolition and real estate actions requiring approval by the president are submitted through the appropriate senior vice president, the athletics director, or an equivalent senior leader for review by the Capital Projects Advisory Committee. The committee is advisory to the president. Projects must be approved prior to fundraising, planning, design, construction, or negotiating agreements with organizations outside the university, and prior to required submissions to the Board of Regents or Board of Regents Office. The types of projects requiring approval by the president are defined under "University Capital Construction Project Approvals" (see link below). CPAC is provided staff support by Facilities Planning and Management and the CPAC workgroup.

Activity

The Capital Projects Advisory Committee meets on a schedule corresponding to the Board of Regents meeting calendar for review of projects prior to submission to the board. Project proponent(s) may be requested to present proposed projects for consideration by CPAC.

Current Members

[View Former Members](#)

<u>Name</u>	<u>Role</u>	<u>Representation</u>	<u>Start Term</u>
Wintersteen, Wendy	Chair	President, Iowa State University	20 Nov 2017
Cain, Pam	Member	Senior Vice President for Operations and Finance	04 Dec 2017
Fuligni, Paul	Member	Facilities Planning & Management	28 Aug 2017
Holtmyer Jones, Larissa	Member	President & CEO, ISU Foundation	17 Feb 2015
Rico-Gutierrez, Luis	Member	Council of Deans	01 Jul 2011
Wickert, Jonathan	Member	Senior Vice President & Provost	30 Jul 2012
Younger, Toyia	Member	Senior Vice President for Student Affairs	17 Aug 2020
Latterell, Brandi	Staff Support (non-voting)	Facilities Planning & Management	28 May 2021

Composition

- Council of Deans (1)
- Facilities Planning & Management (2)
- President & CEO, ISU Foundation (1)
- President, Iowa State University (1)
- Senior Vice President & Provost (1)
- Senior Vice President for Operations and Finance (1)
- Senior Vice President for Student Affairs (1)

Sponsor

ISU President

Resources

- [University Capital Construction Project Approvals](#)

Construction Projects Overview

Overview

In accordance with [Iowa State University policy for facility modifications](#), construction projects for university facilities are to be accomplished through Facilities Planning and Management. The Board of Regents, State of Iowa defines a capital improvement project as the construction, repair or improvement of a building, utility system or grounds.

Construction projects can range in cost from a few thousand dollars to tens of millions of dollars. The project cost includes design, construction, project management, contract administration, construction management, equipment, furniture, and technology systems, regardless of the source of funds.

The process and [required approvals](#) per the university and Board of Regents to complete a project depends on the cost and characteristics.

Funding

The annual general fund budget for FPM includes limited dollars for the maintenance and repair of university general fund facilities, and limited in-house facilities planning. All other projects and planning require funding by the university unit requesting the project, or from other sources such as state appropriations or private giving.

FPM receives no general funds for project design, project management, contract solicitation and administration, or construction management. All projects must pay for design costs through FPM hourly rates for in-house design effort, or by contract with an architect-engineer firm. A project fee is also applied to all expenditures for the costs of project management, contract solicitation and administration, and construction management. The amount of the fee varies with the total project cost.

Construction projects under \$100,000

Unless the project has a special review condition as outlined for university construction approvals, construction projects up to \$100,000 in cost are initiated by a [service request](#). As most projects will be accomplished by contract, Facilities Design and Construction will work with the university unit throughout the [process](#).

Project Deadlines

As it is often the best time to complete projects, the campus construction workload can peak in the summer. To ensure adequate time to plan and complete projects desired in the summer, be aware of [project deadlines](#).



Construction projects over \$100,000

Board of Regents policies require specific [approvals](#) by the university, Board Office or Board of Regents for construction projects over \$100,000. In addition, state of Iowa law requires formal competitive bidding for construction contracts over \$100,000.

Project Planning

Projects for new facilities or alterations of existing facilities may require planning to determine or validate the space and facility requirements, assess the adequacy of existing facilities, and determine how to best to meet the program needs of the university unit.

Depending on the size and complexity of the project, planning can be accomplished by [Planning Services](#), with either in-house staff or with the assistance of a consultant under contract and even establishment of a formal planning committee of stakeholders.

If the planning effort will require a consultant, a [Project Initiation Request](#) should be submitted to FPM. If the initial planning effort can be accomplished by FPM staff or no planning is required, the Project Initiation Request should be submitted when the unit is ready to start the project design. In either situation, review the required university and Board of Regent [approvals](#) to determine if the project first requires review by the [Capital Project Advisory Committee](#) (CPAC) and approval by the president.



Project Funding

If a specific state appropriation will be requested, the project must be planned in sufficient detail to provide a budget-quality project scope and estimate as part of the annual **Five Year Capital Plan** request. This request is submitted each summer to the Board of Regents for the budget submission by the Governor for the fiscal year two years out. The annual request is reviewed by CPAC and approved by the president.

If private gifts are contemplated, the project will require review by CPAC and approval by the president for the ISU Foundation to conduct a fundraising feasibility study.

If university debt financing (internal or by sale of bonds) is considered, the project will require review by CPAC and approval by the president, after consultation with the office of the **Senior Vice President for Operations and Finance**.

Project Execution

Large construction projects will be completed by contract. When a construction project has progressed beyond the planning phase and has the necessary initial approvals and funding, **Capital Projects** provides services through the University Architect, Project Management, Construction Management, and Contract Administration to university unit(s).



Project Initiation Request

This form initiates a planning or project above \$100,000. Submit a [service request](#) to initiate projects under \$100,000. Upon receipt, Planning Services will contact you to discuss specific needs.

Date

Enter date

College/Department

Insert college/department name here

Contact

Insert name, phone, email

Location

Insert building name or site if applicable

General Description of Project Request

Description of issue, concern, change in program or services

Schedule Considerations

Define project or schedule considerations