

University of Florida Internal Operating Memorandum

Number: 02-2

Date: December 11, 2002

Subject: Construction Projects - Budgeting, Contracting and Administration

Authority: Sections 1001.74 (12), 1001.74(28), 1001.75(2), 1001.75(5), 1011.011, 1011.012, 1011.40, 1013.60, 1013.61, 1013.74, 1013.78, F.S.

Purpose: To establish an overall framework for construction budgeting, contracting and contract administration.

A. Introduction.

Each year the University of Florida (UF) undertakes numerous construction projects on its main campus, at the various Institute of Food and Agricultural Sciences (IFAS) sites located around the state, at the Health Science Center's (HSC) Jacksonville campus, and at other locations in the State of Florida. These projects are, and will continue to be, necessary or desirable to further the missions of the University. University construction projects generally fall within the following three categories: correcting existing deficiencies, replacing exhausted or obsolete facilities and accommodating desired future growth.

This policy is intended to provide the framework for which construction budgeting, contracting and administration that will be handled at UF.

B. Definitions.

The following terms have the following meanings when used in this policy:

“Continuing contracts” means contracts for professional services, as defined in Section 287.055, Florida Statutes and construction management services.

“Major projects” means construction projects with a budget of more than \$1 million or adding more than 10,000 gross square feet to the University's physical plant.

“Minor projects” means construction projects with a budget of \$1 million or less and adding 10,000 gross square feet or less to the University's physical plant.

“Operations and maintenance funding” means the monies appropriated each year for purposes of operating and maintaining University facilities. This funding is based on the new space request submitted by the University to the Legislature each year.

“Program” means the overall planning document for a project, also generally referred to as the project specification documents, which establishes the scope of a construction project.

“PECO” means the Public Education Capital Outlay program.

C. Summary.

University construction projects are overseen by the President through the Vice President for Finance and Administration with input from the Vice Presidents of IFAS and the HSC regarding construction priorities for their respective units and with input from the University’s Foundation, as it oversees all gifts to the University, in particular, gifts involving the challenge grant matching programs.

Under the auspices of the Office of the Vice President for Finance and Administration, the following offices oversee day to day construction operations at the University: the UF Facilities Planning and Construction Division (FPCD), which manages and administers all major projects and all infrastructure and minor projects performed for the benefit of the University’s HSC; the IFAS Facilities Planning and Operations office which manages and administers minor projects for IFAS; the Division of Housing’s facilities maintenance office which manages and administers minor projects relating to student housing facilities; and the Physical Plant Division which manages and administers minor projects relating to University infrastructure and repair, maintenance and minor renovations of all other University buildings. The University Athletic Association manages and administers minor projects relating to its athletic facilities.

D. Budgeting.

Each fiscal year the Vice President for Finance and Administration will prepare and submit the following items to the Board of Trustees for its approval:

1. A five-year capital improvement plan for projects to be funded through PECO or the Facility Enhancement Challenge Grant program. This list is submitted to the State Board of Education and shall be prepared in accordance with the State Board of Education’s guidelines and policies.
2. A list of projects to be submitted to the Legislature for authorization to request operations and maintenance funding. All construction projects which cost more than \$1 million and add at least 10,000 gross square feet to the University’s physical plant must receive this authority, if operations and maintenance funding is desired. The list shall include the following information about each construction project and any additional information requested by the State Board of Education or the Legislature: the project title; the approximate gross square footage of the project, if a new facility; a brief description of the project; the project location; the estimated project budget; the funding source for the project; and the estimated amount for operations and maintenance cost and the proposed source of those operational and maintenance funds.

The President or President's designee may amend the priority lists to reflect any necessary changes occurring between the date the lists are approved by the Board of Trustees and submittal to the State Board of Education with the concurrence of the Chair of the Board of Trustees and the Chair of the Facilities Committee. The Vice President for Finance and Administration will update the Board of Trustees regarding any changes at the next occurring Board of Trustees' meeting.

At the first meeting of the Board of Trustees occurring after passage of the state's general appropriations act, the Vice President for Finance and Administration shall submit to the Board of Trustees, for its approval, a spending plan for the current fiscal year based on the funding provided in the general appropriations act and other available funding sources.

The President or designee will authorize and approve all minor projects (excluding those already included on the University's PECO list). In addition, the President or designee may make any changes in the budget or scope of all minor and major projects where circumstances warrant, provided such changes are consistent with University and State Board of Education rules and policies and Florida law.

No construction project (regardless of the source of funds) which requires the prior approval of the Legislature for operations and maintenance funding and for which the Legislature's approval has not yet been granted, may be commenced without the prior approval of the Board of Trustees.

E. Construction Contracting and Administration.

Each University construction project with a budget in excess of \$1,000,000.00 will have an approved facility program, prepared in accordance with the University's policy on facility programs, before design and construction of the project commences. Project programs and program amendments will be reviewed and approved by the President in accordance with UF-PM-01, Development of Facility Programs.

The President or President's designee will approve, execute and administer all contracts for planning and construction to be rendered to or by the University, including continuing contracts, provided the contracts are within the law, State Board of Education rules and are for the implementation of approved programs, if a program is required. This authority includes, but is not limited to, the approval and execution of architect/engineer additional services authorizations, change orders, payment authorizations, substantial completion certificates, beneficial occupancy certificates, and final completion certificates. No project will be approved by the President or President's designee until funds for that project are available and on deposit from the appropriate sources.

F. Reporting.

At each meeting of the Board of Trustees, the Vice President for Finance and Administration shall provide a detailed report of construction activities and finances to the Facilities and Finance Committees of the Board of Trustees.

History: New 12-11-2002