

THE CALIFORNIA STATE UNIVERSITY
Office of the Chancellor
400 Golden Shore
Long Beach, California 90802-4275

(562) 985-2800

Date: July 25, 1997

To: Presidents

From: Barry Muniz
Chancellor

Subject: Delegation of Capital Outlay Management Authority and Responsibility
Executive Order No. 672

Attached is a copy of Executive Order No. 672 which delegates authority to you to assume responsibility for the management of all state and nonstate funded capital outlay projects.

Implementation procedures will be included in the next revision to SUAM which will be completed shortly.

It is your responsibility as president to implement Executive Order No. 672 where applicable and to maintain the campus repository and index for all Executive Orders.

BM:rp

Attachments

Distribution: Vice Presidents, Administration and Finance
Executive Deans
Vice Chancellors
PPD Staff

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Executive Order No.: 672
Title: Delegation of Capital Outlay Management Authority and Responsibility
Effective Date: July 25, 1997
Supersedes: No Prior Executive Order; Facilities Planning (FP) 66-28

This Executive Order is issued pursuant to authority of Sections 1, 2, and 4(d) of Chapter III of the Standing Orders of the Board of Trustees, and delegates the following authority to campus presidents.

I. Authority

Effective immediately, each campus president is delegated authority to directly manage the capital outlay process from project design through construction and occupancy for state and nonstate funded capital outlay projects approved by the Board of Trustees.

This delegated authority is issued subject to campus compliance with the capital outlay certification procedure established as an element of the CSU Capital Outlay Restructuring Process, and with the provisions contained in Attachment A, Delegation of Capital Outlay Management Authority, which by this reference is made a part of this Executive Order.

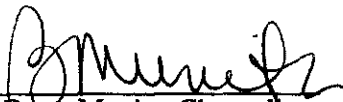
II. Responsibility

The campus president is responsible for ensuring that:

- A. The authority delegated herein is exercised in compliance with all applicable statutes, regulations, and policies of the Board of Trustees.
- B. The process for management of the campus capital projects is consistent with the provisions of the State University Administrative Manual (SUAM).
- C. Appropriate internal controls and processes on the campus are in place to ensure that responsibilities are carried out in a manner consistent with the campus management plan submitted with the request for delegation.

III. Accountability

- A. The campus shall provide to the senior vice chancellor, business and finance, a quarterly status report on capital outlay progress including established performance criteria and financial expenditure information. The reports shall be used to satisfy internal and annual state reporting requirements on the CSU managed capital outlay program. The form and content requirements of these reports will be issued by the senior vice chancellor, business and finance.
- B. The campus shall provide capital outlay project expenditure projections in a machine-readable format at intervals as required by the senior vice chancellor, business and finance.
- C. The campus shall submit compliance certification letters regarding scope, budget and schedule to the senior director of physical planning and development at the completion of each drawing phase for all projects.
- D. In support of the maintenance of the certification process, the campus shall submit to a post project review to be conducted by the Department of Physical Planning and Development in the Office of the Chancellor.
- E. The campus shall maintain financial accountability for each project including participation in the Construction Claims/Augmentations Reserve program.
- F. Authority delegated by this Executive Order may be revoked in whole or in part if in the judgment of the chancellor, the campus has not complied substantially with provisions of this Executive Order.


Barry Munitz, Chancellor

Dated: July 25, 1997

Delegation of Capital Outlay Management Authority

This delegation made and entered into this ___ day of _____, _____, between _____ and the Office of the Chancellor, hereby transfers authority to the campus for direct management of the capital outlay process from initial funding through completion of the project.

In consideration of receipt of transfer of capital outlay management authority, the campus does hereby agree to the following conditions and stipulations:

A. Management

1. The campus shall follow the current management plan it has prepared in seeking management authority. Key management staff have been consulted in the preparation of this plan and concur with its intent. The plan is incorporated herein by reference.
2. During the delegation period, the campus may modify the plan if it determines that such modification is required to improve operational efficiency. A copy of the modified plan is to be filed with the Certification Review Board.

B. Budget

1. The campus shall be responsible for the management of all Preliminary Planning, Working Drawing, Construction and Group II Equipment funds allocated for each and every project.
2. The campus shall submit project status financial reports, and may use the CSU Capital Project Management program format, to the Department of Physical Planning and Development in the Office of the Chancellor on all projects. These reports shall be submitted on a quarterly basis. Additional reports pertaining to capital outlay expenditure projections shall also be provided.

C. Design

1. Using SUAM selection guidelines, the campus shall conduct interviews and select a preferred design professional required for each project.
2. The campus shall prepare and administer contracts with the design professionals. The campus shall use the trustee-approved fee schedule and standard agreement approved by the Office of General Counsel in this process. The campus will also administer contracts with all other vendors for service agreements needed for the project using standard forms approved by the Office of General Counsel.
3. The campus shall prepare or cause to be prepared the appropriate CEQA documents and submit the documents according to established operating procedures.
4. The campus shall submit the schematic design package, in accordance with SUAM, to the Office of the Chancellor for final approval by the senior director of physical planning and development or Board of Trustees, as appropriate.

Attachment A
Executive Order No. 672

5. The campus shall submit the complete (100 percent) preliminary plan package. The submittal shall include a certification that the project complies with supplemental language to the budget with regard to scope, schedule and budget, along with any action taken to meet these criteria.
6. The campus shall submit the complete (100 percent) working drawing package, including all required plan approvals. The submittal shall include a certification that the project complies with supplemental language to the budget with regard to scope, schedule and budget, along with any action taken to meet these criteria.

D. Construction

1. Following SUAM guidelines, the campus shall carry out all normal pre-bid activities. The Department of Physical Planning and Development will provide contractor prequalification services.
2. The campus, using Office of General Counsel approved contract documents, shall prepare all appropriate contracts and submit said documents to legal counsel for approval as required.
3. Following SUAM guidelines, the campus shall carry out all construction management activities and complete the project within the approved scope, schedule and budget.
4. Costs of claims disputes and settlements are the responsibility of the campus. The campus shall follow the procedures established by the CSU Construction Claims/Augmentations Reserve Board. The Department of Physical Planning and Development shall make available claims dispute services including claims resolution during construction, claims review board process, and claims settlement negotiations.

E. Post Construction Review

The campus shall submit to a post project review and audit carried out by the Department of Physical Planning and Development. This review is for the purpose of determining the effectiveness of campus management practices related to the capital outlay program. The results will be reviewed with the campus and may be reviewed by the Certification Review Board.

This delegation shall remain in effect unless withdrawn by the senior vice chancellor, business and finance, upon recommendation of the Certification Review Board.

IN WITNESS WHEREOF, this delegation has been executed by the parties hereto, upon the date first above written.

California State University,
INSERT CAMPUS NAME

Office of the Chancellor
The California State University

By _____
NAME
President

By _____
Richard P. West
Senior Vice Chancellor
Business and Finance