

**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

**THE CALIFORNIA STATE UNIVERSITY  
Office of the Chancellor  
400 Golden Shore  
Long Beach, California 90802-4275  
(562) 985-2800**

**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



**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