



Ouachita Baptist University Policy on Campus Construction and Renovation

I. Purpose

To provide for the planning, funding, approval, design and completion of remodeling and construction projects. These policies and procedures do not apply to requests for maintenance.

Remodeling and construction for the purpose of this policy is defined to include the following:

- A. Alterations, improvement, renovation or remodeling of existing facilities.
- B. Changes in utility systems: air conditioning, heating, electrical, plumbing, air, gas, etc.
- C. Major equipment installation requiring utilities connections or other requirements, such as cooling, etc.
- D. Interior decorating, floor coverings, window coverings and furnishings.
- E. Facility design, program development, and planning.
- F. Design, feasibility studies or cost estimates on remodeling and construction.

II. Requirements

In order to ensure compliance with federal, state, and local construction, building, remodeling, maintenance and service mandates as well as coordination of campus projects, Facilities Management is the only department authorized to hire contractors for such services on behalf of the University. Facilities Management department is required to pre-certify contractors/vendors and to verify required insurance requirements prior to a contractor or vendor performing services on the University's campus. In addition, all contractors and vendors are required to sign a contract for such services prior to commencing the contractual work. Facilities Management department will have the opportunity to request bids on all University projects, irrespective of the contract amount.

This policy statement has been developed to minimize risk and liability for the University associated with campus construction, renovation and property maintenance. As indicated in the policy statement, all requests for construction, renovation and property maintenance involving any University property should be coordinated with the Facilities Management department. No other department, or department personnel, has the authority to hire a contractor or vendor for construction, renovation or property maintenance.

Approval is required for any construction or remodeling work, including acquisition and installation of equipment which impacts the structural, mechanical, and electrical or security system of a campus building. This approval will ensure that the proposed work is a feasible project which complies with campus standards and priorities, building codes, and that the existing systems can support the new equipment or remodeling space. Projects must be approved by the Chief Financial Officer, Facilities Management department, and the project sponsor. Projects exceeding \$100,000 also require the recommendation of the Executive Committee and Board of Trustees approval.

Facilities Management coordinates remodeling projects for the campus by assessing project requests, directly providing or contracting for project design, managing the bidding and estimating process and scheduling construction. Work may be done by the Facilities Management staff or by outside contractors, at the discretion of either Facilities Management or the requesting department.

III. Project Funding

Construction or remodeling projects shall not begin until the appropriate funding is in place. At a minimum, each project should meet one of the following funding requirements.

- A. 100% of the expected project cost has been transferred to a plant fund designated for the project.
- B. 60% of the expected project cost has been transferred to a plant fund designated for the project AND outstanding donor pledges equaling 50% of the project cost have been designated.
- C. If debt will be incurred to finance the project, the facility operating plan includes sufficient revenues to offset operating costs plus debt service.

Estimated project costs should consider all of the following:

- Planning and feasibility studies
- Architectural and engineering design
- Construction, including materials, equipment and labor
- Field supervision of construction
- Construction financing
- Equipment and furnishings not included in construction
- Inspection and testing

It is important for design professionals and construction managers to realize that while the construction cost may be the single largest component of the capital cost, other cost components are not insignificant. It is equally important to estimate the corresponding operation and maintenance cost of each alternative for a proposed facility in order to analyze the life cycle costs.