51.04.01 Chancellor's Delegation of Authority on Construction Projects

Reviewed <u>August 24, 2023</u> Next Scheduled Review: August 24, 2028 Click to view <u>Revision History</u>.



Regulation Summary

This regulation provides the chief financial officer (system CFO) of The Texas A&M University System (system) certain authorities for the System Office of Facilities Planning & Construction (FPC)-administered projects. This regulation also provides the member chief executive officers (CEO) with the authority for administering construction projects with a total project cost of less than \$10,000,000. FPC serves as the point of contact with members for guidance in administering member-managed major and minor construction projects.

Regulation

1. DELEGATIONS TO THE SYSTEM CFO

The system CFO is delegated the following authorities for FPC-administered projects, provided the cost of the action does not cause the total cost of the project to exceed the Board of Regents' (board) approved amount.

- (a) Execution of agreements between the board and architect/engineer firms, construction manager at risk firms and design-build firms as approved by the chancellor, and subsequent changes to these agreements.
- (b) Execution of agreements between the board and contractor for competitive sealed proposals and other competitively bid projects, and subsequent changes to these agreements.
- (c) Execution of guaranteed maximum price (GMP) proposals from construction managers at risk and design-build contractors.
- (d) Execution of notice to proceed documents to contractors to begin construction.
- (e) Execution of state and federal regulatory approvals.
- (f) Execution of changes to any agreement that increases the value, except for errors and omissions, or new purchase orders issued following the date of substantial completion will not be further delegated. An exception is that changes to agreements and new purchase orders funded by tuition revenue bond funds or legislative appropriations may be issued consistent with current delegations of authority.
- (g) Approval of a request to change the fiscal year designation of a project on the capital plan or add projects to the capital plan that are funded with tuition revenue bonds, other state

funds and gift funds once funding is identified and the program of requirements is completed.

2. DELEGATIONS TO MEMBER CEOs FOR MAJOR PROJECTS MANAGED BY THE MEMBER

The member CEO is delegated the following authorities for member-administered major construction projects less than \$10,000,000, provided the cost of the action does not cause the total cost of the project to exceed the board's approved amount. At the request of the member CEO, FPC may administer construction projects less than \$10,000,000 on the member's behalf.

- (a) Execution of agreements between the board and architect/engineer firms, construction manager at risk firms and design-build firms as approved by the chancellor, and subsequent changes to these agreements.
- (b) Execution of agreements between the board and contractor for competitive sealed proposals and other competitively bid projects, and subsequent changes to these agreements.
- (c) Execution of guaranteed maximum price (GMP) proposals from construction managers at risk and design-build contractors.
- (d) Execution of notice to proceed documents to contractors to begin construction.
- (e) Execution of state and federal regulatory approvals.

3. DELEGATIONS TO MEMBER CEOs FOR MINOR PROJECTS

- 3.1 Each member CEO is delegated the authority to administer minor construction projects where the total project cost is less than \$4,000,000.
- 3.2 Each member CEO is authorized to demolish buildings and other improvements which cannot be sold as surplus. The Texas Historical Commission must be notified before any building at least 50 years old is demolished in accordance with Texas Natural Resources Code § 191.098.
- 3.3 At the request of the member CEO, FPC may administer minor construction projects.

Related Statutes, Policies, or Requirements

System Policy 25.07, Contract Administration

System Policy 51.04, General Requirements and Delegations of Authority on Construction <u>Projects</u>

Tex. Nat. Res. Code § 191.098

Member Rule Requirements

A rule is not required to supplement this regulation.

Contact Office

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