

TEXAS STATE TECHNICAL COLLEGE
STATEWIDE OPERATING STANDARD

No. GA 4.4	Page 1 of 6	Effective Date: 02/07/2019
DIVISION:	General Administration	
SUBJECT:	Process for Construction or Renovation of Facilities	
AUTHORITY:	Minute Order #26-13	
PROPOSED BY:	Ray Fried	
TITLE:	Associate Vice Chancellor for Facilities, Planning, Construction, and Maintenance	Date: 02/07/2019
RECOMMENDED BY:	Rick Herrera	
TITLE:	Vice Chancellor & Chief Student Services Officer	Date:02/07/2019
APPROVED BY:	Mike Reeser	
TITLE:	Chancellor	Date: 02/07/2019

STATUS: Approved by LT 02/07/2019

HISTORICAL STATUS:

Approved by BOR 4/18/13
 Approved by MC 04/11/13
 Approved-Leadership Alliance 09/21/07
 Revised 09/2007
 Approved by MC 06/20/05
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 Approved by MC 03/12/04
 Revised 02/2004
 Approved by MC 9/27/02
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 Approved by MC 6/24/02

Approved by BOR on 10/19/01
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 Approved Electronically by Management Council 10/2/01
 Reviewed by Executive Cabinet 9/27/01
 Revised 9/27/01
 Approved by BOR 10/05/96
 Revised 08/28/96
 Approved MC 07/25/96
 Proposed 06/04/96

I. STATEWIDE STANDARD

POLICY: It is the policy of Texas State Technical College (TSTC) that the College institute processes by which all construction and/or renovation projects are approved by the appropriate authority prior to the commitment of funds and are managed by the appropriate authority from concept approval to acceptance of the facility.

II. PERTINENT INFORMATION

This Statewide Operating Standard (SOS) shall establish the approval and management process for construction and/or renovation projects. The process for the selection of professional contractors involved in the College's construction and/or renovation projects shall be outlined in the SOS document [GA 4.3 Selection of Architects, Engineers, and Construction Contractors](#).

III. GENERAL GUIDELINES

None Applicable

IV. DEFINITIONS

Aggregate Construction Project Amount: The cost for the design and construction (and miscellaneous other associated costs) for a specific construction or renovation project.

Facility: Real property, including buildings, associated structures, and improved or unimproved land.

Major Construction Project: A project for the construction or renovation of a facility where the aggregate construction project amount is \$500,000 or more. A major construction project shall not be partitioned in order to make it a series of minor construction projects.

Minor Construction Project: A project for the construction or renovation of a facility where the aggregate construction project amount is less than \$500,000.

Pre-construction activities: Activities that must be undertaken before actual construction begins, including preparation of a program of requirements/statement of work, work of an architect/engineer design team, design assistance from a design-build team or construction manager at risk firm, environmental surveys, site survey, soils investigation work, building and site demolition study, and any other activity as required to design the project.

Project Administrator: The person responsible for the management of a construction or renovation project in accordance with the Delegation of Authority.

V. DELEGATION OF AUTHORITY

Construction Approval Authority:

The Board of Regents (BOR) delegates major construction project approval authority to the Chancellor, or his/her designee, for all elements of the project except approval of concept, approval of final budget, and acceptance of facility, for which the Board retains approval authority. The BOR delegates minor construction project approval authority to the Chancellor, or his/her designee. The Chancellor delegates minor construction project approval authority to the Associate Vice Chancellor for Facilities, Planning, Construction, and Maintenance, or his/her designee, except for the approval of the design plan for construction projects of \$250,000 or more and up to \$500,000, for which the Chancellor retains approval authority. For the Chancellor to delegate minor construction authority to a designee, the delegation must be in writing, and a copy must be filed in the Office of the Chancellor.

Construction Management Authority:

The Board delegates the management authority for major and minor construction projects to the Chancellor, or his/her designee. The Chancellor delegates the management authority for minor construction projects to the Associate Vice Chancellor for Facilities, Planning, Construction, and Maintenance, or his/her designee. For the Chancellor to delegate management authority to a designee, the delegation must be in writing and a copy must be filed in the Office of the Chancellor.

VI. PERFORMANCE STANDARDS

1. College procedures are consistent with this SOS, are up-to-date, and are followed.
2. All documentation to support project approval under this SOS is filed with the Associate Vice Chancellor for Facilities, Planning, Construction, and Maintenance.
3. Quarterly construction progress reports are filed with the Associate Vice Chancellor for Facilities, Planning, Construction, and Maintenance as scheduled prior to BOR meetings.

APPENDIX

VII. RELATED STATEWIDE STANDARDS. LEGAL CITATIONS, OR SUPPORTING DOCUMENTS

[GA 4.3 Selection of Architects, Engineers, and Construction Contractors](#)

[Texas Education Code, Section 61.058](#)

[Texas Administrative Code, Title 19, Part I, Chapter 17](#)

VIII. OPERATING REQUIREMENTS:

Minor Projects:

1. Regarding minor construction projects, the project administrator shall be authorized to and must do the following:
 - a. Commit funds to provide project funding;
 - b. Administer the contracts; and
 - c. Perform any actions necessary to complete the minor construction project.
2. When the estimated aggregate construction project amount for a minor construction project is greater than \$100,000 but less than \$250,000, the selection of an architect, engineer, and construction contractor shall be in accordance with the College's SOS document [GA 4.3 Selection of Architects, Engineers, and Construction Contractors](#).
3. When the estimated aggregate construction project amount for a minor construction project is \$250,000 or more, the design plan shall be submitted to the Chancellor for approval.
4. If there is any change that causes the aggregate construction project amount for a minor construction project to reach or exceed \$500,000, the project shall be reclassified as a major construction project, and the construction project shall be resubmitted as a major construction project to the BOR as required for all major construction projects.

Major Projects:

1. Regarding major construction projects, the order of the pre-construction activities may be subject to change depending on the design team and construction delivery method chosen.
2. Prior to the commitment of any funds, the BOR must approve the concept for the major construction project.
3. A Minute Order shall be prepared and submitted to the BOR requesting approval of the concept and commitment of up to 10 percent of the estimated aggregate construction contract amount for pre-construction activities. The Minute Order shall include the following:
 - a. Name of the project;
 - b. Description of the project

- c. Estimated aggregate construction contract amount; and
 - d. Source of funds for the project.
4. In accordance with [Texas Education Code, Section 61.058](#), unless otherwise authorized by law, new construction projects and major repair and/or rehabilitation projects with a total project cost of \$10,000,000 or more must be reviewed by the Texas Higher Education Coordinating Board (THECB). It is anticipated that necessary documents shall be submitted to the THECB when the concept and project planning amount are sufficiently defined to meet the THECB requirements for review. Submission shall be made after the BOR has approved the concept.
 5. Selection of architects and engineers shall be in accordance with the College's SOS document [GA 4.3 Selection of Architects, Engineers, and Construction Contractors](#).
 6. The design plan shall be submitted to the Chancellor for approval.
 7. Prior to the commitment of any funds, other than the commitment of up to 10 percent for pre-construction activities, the BOR must approve the final budget.
 8. A Minute Order shall be prepared and submitted to the BOR requesting approval of the final budget. The Minute Order shall include the following:
 - a. Name of the project;
 - b. Description of the project;
 - c. Final budget; and
 - d. Source of funds for the project.
 9. Any change that causes the aggregate construction project amount to exceed the approved final budget by either a minimum of 10 percent or \$500,000 shall require the changed budget to be resubmitted to the BOR.
 10. In accordance with the [Texas Administrative Code, Title 19, Part I, Chapter 17](#), construction and renovation projects that have been previously reviewed by the THECB shall be resubmitted to the THECB for re-review if:
 - a. The total cost of a project exceeds cost estimates by more than 10 percent;
 - b. The gross square footage is changed by more than 10 percent;
 - c. TSTC has not contracted for the project within 24 months from the previous THECB review date; or
 - d. Any funding source of the reviewed project has changed.
 11. Selection and contracting with construction contractors shall be in accordance with the College's SOS document [GA 4.3 Selection of Architects, Engineers, and Construction Contractors](#).
 12. The contracts shall be administered by the project administrator.
 13. When the project is substantially complete, a Minute Order shall be prepared and

submitted to the BOR requesting acceptance of the project, pending approval by the Architect/Engineer, and requesting authorization to release the retainage amount.