



PERMANENT MEMORANDUM 60 EXECUTION OF UNIVERSITY SYSTEM CONTRACTS

POLICY DIGEST

Monitoring Unit: Finance & Administration
Initially Issued: February 5, 1991
Last Revised: March 28, 2008

I. PURPOSE

Facility and infrastructure projects should focus on maintaining existing facilities and infrastructure, and providing space to better serve the role, scope, and mission of the institution in the most reasonably efficient and economical manner.

No designer contract in excess of \$10,000 for a capital improvement project shall be entered into without the prior approval of the President or designee.

No construction contracts over \$75,000 shall be entered into for renovation, remodeling, addition, or new construction without prior approval of the President or designee. The President may authorize in writing a higher threshold approval amount up to \$125,000, upon written application of a campus or institution demonstrating satisfactory internal controls and the need.

In all cases, if the total costs of a project exceeds \$15,000 and a campus head or other approving employee has a direct personal interest in the project (e.g. renovation of his/her present or future office or facilities used primarily by him/her), a specific written disclosure of such shall be made and the President must approve the project request.

Related projects shall not be divided, or designated "maintenance" if such is integral to the construction, for the purpose of avoiding application of this memorandum.

Request for approval of a designer or construction must include the following:

- A. Project name and title
- B. Name of designer
- C. Estimated cost of project and source of funding. The estimate is to be itemized to include design fee, construction, contingency, equipment, and anticipated furnishings
- D. Anticipated starting and completion date
- E. Accurate project description, including space utilization with space quantities, approximate square footage for each space, and anticipated room finishes. Reasonable enquiry should be made to satisfy this requirement
- F. Location of project sufficient for reasonable identification

The “Louisiana Board of Regents Capital Projects Records and Approval Form” used for higher education and the “Capital Projects Records and Approval Form” used for Healthcare Services Division, for projects with a construction cost of \$125,000 to less than \$350,000 are acceptable to comply with this PM.

The President or designee will timely respond to avoid undue delay, but reasonable time for review should be considered in planning.