


February 25, 2015

TO: Members of the Construction Management Oversight Committee

FROM: Scott A. Jordan 
Executive Vice President for Administration and Chief Financial Officer

RE: Revised Capital Project Delivery Process Manual for Finance & Budget
Division

RECOMMENDATION:

That the Board of Trustees approve the Revised Capital Project Delivery Process Manual for the Finance & Budget Division in accordance with the provisions of Connecticut General Statute Section 10a-109bb(b), as related to the management of UCONN 2000 capital projects.

BACKGROUND:

During 2005, the University established a Capital Project Delivery Process Manual that included policies and procedures related to the procurement, management, reporting and control of capital projects including the UCONN 2000 program. As part of changes to the statutory requirements, the Construction Management Oversight Committee officially approved a revised, expanded and updated manual in September 2008. Since that time, the committee has approved small changes to the manual as needed.

At this point, the revised manual is presented in its entirety for approval. A summary of the major changes is attached. The University will continue to refine this manual going forward to achieve further efficiencies and maintain compliance with all federal and state regulations.

Attachment

University of Connecticut
Finance & Budget Division
Capital Project Delivery Process Manual
Summary of Major Changes for CMOC Meeting on 2/3/15

- Format of manual changed to comply with change in University Policy Protocol standards instituted in 2011 and general edits to language for clarification/grammatical issues.
- Changes in names/title:
 - Office of the Chief Financial Officer = Finance & Budget Division (Finance)
 - Architectural & Engineering Services (AES) = Planning, Architectural & Engineering Services (PAES)
 - Plant Accounting (PA) = Project Accounting (PA)
 - Facilities Development & Operations (FD&O) = Campus Planning, Design and Construction (CPDC)
 - Health Center = UConn Health (UCH)
 - Vice President & Chief Financial Officer = Executive Vice President for Administration & Chief Financial Officer (EVPACFO)

Changes by section

- Project Initiation:
 - Added Capital Project Guidelines
 - Provides guidelines for determining whether work is a capital project or not. Allows for the recognition that in the case of uncertainty, Finance will make the determination.
 - Added Signature Authority
 - Specifies that specific titles and the appropriate dollar thresholds for approvals will be identified within each unit (PAES/FACOPS/UITS/CPDC) and be annually reviewed.
 - New MOU process at Storrs & PRC/SARCC governance
 - The Buildings & Grounds Committee no longer approves individual projects at Storrs. Project requests are now routed through a Project Review Committee (PRC) and the Space Allocation, Renovation, Construction Coordination (SARCC) Committee via a Memorandum of Understanding that identifies the project scope, schedule and budget. Projects greater than \$500k are still submitted for BOT approval.
 - Annual DM list approval
 - Clarification that the BOT will continue to annually approve a DM list that includes funds separated into categories (i.e. Buildings; Infrastructure; Code/ADA; Access, Appearance & Safety; & Renovation Lump Sum). Funds will be disbursed from the categories to individual projects as specifically identified through the MOU process.
 - Clarification on inclusion of all known fund sources & project costs (i.e. FFE) in a project budget (per June 2010 CMOC/BG&E meeting)
 - All project related costs should be included in a project budget, even if they are not under the management of the project manager.
 - Added BG&E policy on President's projects (per June 2010 CMOC/BG&E meeting)
 - Any projects less than \$500k that are initiated by or for the direct benefit of the President will need BG&E approval.

- Design & Construction
 - Added new policy on Additional Services-Notice to Proceed from 2012
 - This was added to mimic the CCD policy but it is for architect, engineer or other professional services. Allows the PM to define a scope with the vendor and a not-to-exceed amount.
 - CCD/AS-NTP/PO & POA's/Internal Vendors
 - Clarifies which departments need to approve each request & removes the detail on thresholds. Per the new Signature Authority section, the specific signatories for approval in PAES/FACOPS/UITs/CPDC at each threshold level will be specified and annually reviewed.
 - UCH FFE
 - UCH now has the ability to procure FFE directly rather than through Storrs Procurement Services.
 - Change Management
 - Added new workflow that allows individual changes to be approved in advance of a final amendment or change order.
 - Eliminated "Using the Greensheet Log"
 - Since the approval (formerly "Greensheet") process will be routed through workflow, there is no need to track separately.
- Approval for Payment
 - Change in process
 - Due to KFS workflow, the use of the Goldenrod was eliminated and all invoices are routed through the system.
 - Clarifies which departments need to approve each invoice & removes the detail on thresholds. Per the new Signature Authority section, the specific signatories for approval in PAES/FACOPS/UITs/CPDC at each threshold level will be specified and annually reviewed.
 - UCH FFE
 - UCH now has the ability to pay for FFE directly rather than through Storrs Accounts Payable. UCH will be reimbursed by Storrs when UCONN 2000 funds are utilized.
 - Eliminated "Approval of Legal Invoices" and "Approval of Miscellaneous Costs"
 - Due to KFS workflow, these actions were incorporated into "Approval of Vendor's Invoices..." process.
- Accounting Policies
 - Recoding expenditures
 - Process changed due to KFS workflow.
 - Eliminated "Disbursement of Authorized Bond Proceeds"
 - Not needed in this manual.
 - Project closeout
 - Added new process of de-funding a project when it is substantially complete and new BOT reporting for projects greater than \$500k to show status.
- Miscellaneous
 - Eliminated the following sections because they are not needed in a manual that has the purpose of supporting the day-to-day delivery of capital projects and they also are included in the general Accounting policies: Meetings; Asset Capitalization; Accruals for Corrective & Remediation Project Expenses; State Bond Reconciliation for Capital Project Accounts

Title	Capital Project Delivery Process
Author	Finance & Budget Division
Effective Date	
Applies To	Staff and Faculty on Storrs, Regional Campuses & UConn Health
Last Reviewed Date	11/6/13
Proposed Revision Date	2/3/15

Capital Project Delivery Process

EXECUTIVE SUMMARY

The UCONN 2000 Infrastructure Improvement Program established by the Act is designed to modernize, rehabilitate and expand the physical plant of the University. The Act provides for a twenty-nine year capital budget program in three phases, estimated to cost \$4,619,300,000.

The University may also utilize Special Obligation bonds secured by certain revenue flows including student fees, University operating funds, gifts or grants for capital projects. Once these funds are authorized and issued, all UCONN 2000 policies and procedures for the program are applicable.

The purpose of this manual is to document the policies and procedures of the Finance & Budget Division as they relate to the Capital Project Delivery Process. These policies and procedures range from the high level development of the Annual Capital Budget, which is presented to the Board of Trustees each year and authorized by the Governor, to the day-to-day approvals required to pay an invoice. Included are other related policies and roles of the Finance & Budget Division.

These policies and procedures were written in conjunction with the Mission Statement of the Finance & Budget Division. Planning, Architectural and Engineering Services /Facilities Operations & Building Services/University Information Technology Services/Campus Planning, Design and Construction as well as Capital Projects and Contract Administration (part of University Procurement) have separate policies and procedures manuals.

APPLIES TO

All capital projects at the Storrs and Regional Campuses and UCONN 2000 funded capital projects at UConn Health.

Table of Contents

Project Initiation	
• Authorization of the Capital Budget	4
• Capital Project Guidelines	4
• Signature Authority	4
• Budget Approval	5
• Three-Phase Budget Process	5
• Setting Up Capital Projects	6
Design and Construction	
• Prequalification	6
• Contract Approval	6
• Construction Change Directive	6
• Additional Services – Notice to Proceed	7
Approval of Change to Original Contract, Work Plan or Purchase Order Request	
• Purchase Order/Purchase Order Amendments to Vendors	7
• Change Management	7
• Authorizing Use of Internal Vendors	7
Approval for Payment	
• Paying an External Vendor	8
• Paying an Internal Vendor	8
Accounting Policies	
• UConn Management Fees Allocation	8
• Equipment, Library Collections & Telecommunications	8
• Recoding Expenditures	8
• Reimbursing UCH for Deferred Maintenance/Code/ADA Renovation Lump Sum and Equipment, Library & Telecommunications Expenditures & Reconciliation	9
• Project Financial Closeout	9
Miscellaneous	
• Project Reporting	9
• Project Audits	9
• Construction Management Oversight Committee	10

Acronyms/Abbreviations Defined

AIA: American Institute of Architects

AS-NTP-Additional Services-Notice to Proceed

AVP CPDC: Associate Vice President of Campus Planning, Design & Construction

BG&E: Buildings, Grounds & Environment

BOT: Board of Trustees

CAR: Contract Approval Request

CCD: Construction Change Directive

CIO: Chief Information Officer of UITS

CO: Change Order

CPCA: Capital Projects & Contract Administration

CPDC: Campus Planning, Design & Construction

DM: Deferred Maintenance/Code/ADA Renovation Lump Sum

EVPACFO: Executive Vice President for Administration & Chief Financial Officer

FA: Financial Affairs

FACOPS: Facilities Operations & Building Services (includes Academic Renovations)

FAMIS: Fixed Assets Management Information System

FFE: Furniture, Fixtures and Equipment

Finance: Finance & Budget Division

KFS: Kuali Financial System

MOU: Memorandum of Understanding

PA: Project Accounting

PAES: Planning, Architectural & Engineering Services

PCO: Proposed Change Order

PO: Purchase Order

POA: Purchase Order Amendment

PRC: Project Review Committee

SARCC: Space Allocation, Renovation and Construction Coordination

SMC: Space Management Committee

UCH: UConn Health

UITS: University Information Technology Services

POLICIES

PROJECT INITIATION

Authorization of the Capital Budget

The capital budget for UCONN 2000 is presented annually to the BOT. This includes the proposed named projects with appropriate descriptions, amounts and funding analysis, and the supplemental indenture which authorizes the General Obligation Debt Service Commitment bond issuance. Also presented is the Deferred Maintenance/Code/ADA Renovation Lump Sum project list, the UCONN 2000 Phase III Preliminary Outline by Fiscal Year and indenture amendments for prior year(s) as needed. Once the capital budget and related indentures are approved by the BOT, a letter requesting authorization to bond for projects approved in the capital budget is sent to the Governor. The Governor may approve or disapprove the request; if not acted upon in 30 days, the request is deemed approved.

The UCONN 2000 Act also authorizes the University to issue Special Obligation bonds. These bonds are paid from certain pledged revenues of the University. Prior to issuance, a supplemental indenture authorizing the Special Obligation Revenue bonds is presented to the BOT. Once approved by the BOT, a letter is sent to the Governor. The Governor may approve or disapprove the request; if not acted upon in 30 days, the request is deemed approved.

Special requests may be made to the BOT and the State of Connecticut Legislature (Finance, Revenue & Bonding Subcommittee) to amend the UCONN 2000 project list as needed.

Capital Project Guidelines

A capital project should be established for projects such as new buildings, building additions, infrastructure/utility repairs and upgrades, building system upgrades or improvements, major equipment purchases, major renovations and/or major repairs or replacements that generally utilize architectural and engineering design services, and/or require code compliance or environmental consultation. In the case of major equipment purchases, installation services may be required and the renovation of space may be required in order to install the equipment. Capital projects increase the capacity, life or operating efficiency of the asset.

A capital project should not be for day-to-day maintenance and ordinary repairs directed toward keeping assets in acceptable condition including preventive maintenance; replacement of parts, systems or components; and other activities needed merely to preserve the asset but not extend the useful life of the asset. Equipment purchases not requiring installation services or the renovation of space for the installation would not be a capital project.

There may be situations requiring further analysis and clarification on whether a capital project should be established. In those instances, Finance will work with PAES/FACOPS/UITs/CPDC to make the determination.

Signature Authority

The BOT grants the UConn President signing authority. The President is authorized to delegate such signing authority as he/she determines appropriate. Further, based on this delegated signing authority, PAES/FACOPS/UITs/CPDC will annually define specific titles in each department and the appropriate signing authority for all workflow and associated documents requiring approval as specified below. Records of delegated signature authority will be maintained in Finance.

Budget Approval

For the Storrs & Regional Campuses, projects will have a scope, schedule and budget that are documented in a MOU among the pertinent departments. The PRC and SARCC Committees oversee the MOU approval process. (For UCH, the SMC and the AVP CPDC oversee the project approval process.) The detailed MOU approval process workflow may be found on the PAES website at www.paes.uconn.edu. Project MOU's are prepared by PAES/FACOPS/UITs. All projects must have an approved MOU prior to the commencement of the project. Any changes in scope, schedule or budget will require a revised MOU to be approved.

Projects over \$500,000 require BOT approved budgets at their various stages – Planning, Design and Final. In addition, if needed, Revised Planning/Design/Final budgets will be submitted for approval as well. Contingency minimums are 10% for Planning, 8% for Design, and 5% for Final and are calculated against the total project cost. Projects less than \$500,000 must be approved through the PRC and SARCC Committees MOU process or the Capital Budget approval process at UCH.

The DM project list is approved annually by a resolution presented to the BOT. Each category on the list (i.e. Buildings, Infrastructure, Code/ADA, Access, Appearance & Safety and Renovation Lump Sum) contains proposed projects for the coming fiscal year. For Storrs & Regional Campuses, funds are disbursed from the categories to the individual projects once MOU's are developed and approved. For UCH, the SMC and the AVP CPDC oversee any changes to the approved DM project list.

When the total expenditures are anticipated to exceed the BOT approved budgeted level by 5% or greater, a revised budget must be presented to the BOT for approval prior to exceeding the budget by 5%. The BOT policy permits the EVPACFO to approve changes up to 5% provided that funding is available. The BOT is subsequently notified through a revised project budget.

All project funding must be identified prior to the start of a project. Any exceptions must be approved by the EVPACFO or his/her designee.

Project budgets should include all known fund sources and project related costs including FFE. If additional FFE will be procured outside of the Capital Project Delivery Process, in accordance with standard UConn procurement policies and procedures, the project budget will include a note stating such exception. For UCH capital projects, FFE (including Information Technology equipment) may be procured directly by UCH. This process will be completed in accordance with standard UCH procurement policies and procedures.

Any project less than \$500,000 initiated by the President and for the direct benefit of the President must also be approved by the BOT BG&E Committee.

Three-Phase Budget Process

Project budgets greater than \$500,000 are presented to the BOT during the planning, design and final phases. The presentation of budgets to the BOT is the joint responsibility of the EVPACFO and Provost & Executive Vice President for Academic Affairs/Executive Vice President for Health Affairs. Authority to approve project budgets less than \$500,000 rests with the President or his/her designee(s).

- **Planning Budget:** This budget signals the beginning of the planning process for each new building or major renovation project. The contingency at this juncture must be at least 10% of the total project cost to reflect the preliminary nature of the budget. Approval allows the University to proceed with design of the facility.
- **Design Budget:** Once the project design has been completed, University administration submits a more definitive budget reflecting the architect's or engineer's estimate of cost based on the design.

The contingency balance at this juncture must be at least 8% of total project cost to reflect the potential for deviations as bids are received for the project's components.

- Final Budget: When bids and final costs for the major components have been received and construction is ready to begin, the final construction budget will be presented to the Board of Trustees. At this juncture, the contingency must be at least 5% of total project cost to cover change orders during construction.
- Revised Budget: Even though every effort is made to construct facilities within the amount of the Final Budget, it is inevitable that there will be occasions when actual costs are projected to exceed these numbers.

Setting up Capital Projects

After a capital project has appropriate approvals to proceed, it is set up in the financial system and the project tracking system. KFS is the official financial system of record and FAMIS is utilized for project tracking, however, systems may change.

PA is responsible for assigning project numbers, setting up new accounts and transferring funds for all fund sources. PA in Storrs sets up UCONN 2000 funded projects for UCH, with the exception of DM funded projects. DM projects for UCH are part of the procedure "Reimbursing UCH for DM and Equipment, Library & Telecommunications Expenditures." Projects are set up using information from the approved project MOU at Storrs & Regional Campuses or from CPDC at UCH.

DESIGN AND CONSTRUCTION

Prequalification

Prequalification allows the University to evaluate and select contractors who will be invited to offer proposals on a project. The role of PA in the prequalification process is limited to assessing the financial capability of a vendor to complete a specific project within a given time frame. Applicants are either accepted (may be pending submission of additional financial information) or rejected depending on the calculation of financial statement ratios and review of other qualitative factors in comparison to standards for the industry. If a project is valued at \$10 million or greater, an audited financial statement including an independent auditors report, balance sheet, income statement, cash flow statement and the notes to the financial statements are required. These statements need to be dated within 15 months from the date of the application. In addition, applicants for prequalification must supply interim financial statements not older than 6 months from the date of application. For projects less than \$10 million or involving a single trade contractor, an audit is preferred but reviewed or compiled statements are accepted.

Contract Approval

The contract approval process ensures that all phases of engaging an Architect, a Construction Contractor or a Construction Manager have been in accordance with all University policies and procedures and State statutes. When a vendor has been selected, the contract is routed with a CAR form that is approved by PAES/FACOPS/UITs/CPDC, CPCA/Procurement, EVPACFO/AVP CPDC and PA. PA verifies that funding has been approved and is in place and that the contract falls within the approved budget.

Construction Change Directive

There are conditions or situations during the construction of a project involving scope, schedule, safety or an emergency that may require immediate authorization of a change request. This change request is documented by a CCD. A CCD is written and authorized in anticipation of being included in a fully documented, authorized and executed follow on change order. A CCD requires the following information as a minimum prior to any work being initiated: a description of scope; a verification of entitlement, a not-to-

exceed total cost and description of pricing methodology, and authorization by PAES/FACOPS/UITs/CPDC and PA.

Additional Services – Notice to Proceed

Similar to the CCD policy, there is a business need to have the same type of mechanism with controls that can be issued for additional/special services, such as Architect, Engineer or other Professional services where time is of the essence to maintain the project schedule. The AS-NTP process mimics the CCD process and serves a similar function to facilitate timely processing of additional services. In the event that a change in professional scope of services is required and an immediate directive to begin working on the change in service is needed to maintain a critical schedule, the University may issue an AS-NTP. The project manager will work with the vendor to define the desired additional services for a defined not-to-exceed amount. Available budget within the project will be verified by PA. In all cases, a not-to exceed amount shall be established to limit the financial exposure to the University in lieu of, and in advance of, the subsequent, formal contract amendment. All AS-NTP requests must be approved by PAES/FACOPS/UITs/CPDC, PA and CPCA.

APPROVAL OF CHANGE TO ORIGINAL CONTRACT, WORK PLAN OR PURCHASE ORDER REQUEST

Purchase Order/Purchase Order Amendments to Vendors

With the exception of a specific contract or a project (whose PO is created when the contract is approved and signed), all PO/POA requests and the appropriate back-up documentation, must be approved by PAES/FACOPS/UITs/CPDC, PA and CPCA. Examples of backup documentation are vendor quotes/proposals, task letters for on-call contracts, CCDs, AS-NTPs, PCOs and COs.

PA's responsibility in approving the PO/POA is to ensure that enough funding is in place in the project accounts to encumber the PO/POA, and to compare the request against the line item of the budget as it relates to the project contingency and the budget as a whole. If the line item does not have enough budget for the request, the project manager must provide a revised budget showing that the request may be approved and the project may still be completed within the current budget and funding.

For UCH capital projects, FFE (including Information Technology equipment) may be procured directly by UCH. This process will be completed in accordance with UCH standard procurement policies and procedures. For UCONN 2000 bond funds, the request will be routed for approval to PA, CPDC and CPCA. For non-UCONN 2000 funding, UCH Finance will provide periodic reporting and appropriate back-up documentation to PA in Storrs to track FFE expenditures against the approved project budget.

Change Management

During the design or construction phases of a project, a change in scope, work and/or expenses may be required. Under the change management workflow, PAES/CPDC and CPCA will evaluate such requests and verify entitlement to and reasonableness of additional costs. PA's responsibility in approving a Task Order, Professional Services Amendment, PCO or CO is to ensure that there are sufficient funds in place to cover the additional costs without exceeding the approved project budget, and, in the case of a PCO, to encumber the project in advance of the final amendment or change order. If there are insufficient funds for the additional costs, the PAES/CPDC Project Director shall be notified and PA approval is withheld until the project funding shortfall is resolved.

Authorizing Use of Internal Vendors

Work done on a capital project by internal vendors must have prior approval (by routing an estimate of the cost of the work). Examples of internal vendors for a project are Facilities Operations, Academic Renovations, Information Technology and Public Safety. Service requests must be approved by PAES/FACOPS/UITs/CPDC, PA and CPCA. If the charges from the internal vendor are going to exceed the approved estimate, then an

additional request with appropriate documentation must be routed for approval to authorize the increased amount.

APPROVAL FOR PAYMENT

Paying an External Vendor

Prior to payment, vendor invoices are routed in KFS for appropriate approval. The vendor's original invoices are received by Accounts Payable who then initiates the payment request in KFS. The payment request is then routed to PA for approval. A valid PO/POA must be in place for the project prior to PA approval. Certain invoices not associated with a project related PO/POA (i.e. bid advertising and printing) are paid through a disbursement voucher in KFS and, like the payment request, requires approval as well. Approval from PAES/FACOPS/UITs/CPDC of the invoices is required prior to payment. For all legal invoices, approval is also required by a representative from the General Counsel's Office.

Paying an Internal Vendor

Internal vendors may be utilized on capital projects, and such project work needs to be pre-approved. Internal vendors invoice for work performed against capital projects via an internal billing in KFS. The internal vendor must produce an invoice with detailed back-up documentation (material & labor including rates & hours worked) and such invoice and back-up documentation must be attached electronically to the internal billing. These invoices are initiated by the internal vendor and are routed to PA for approval.

PA verifies that the internal project work was previously approved, that the project number and account coding is correct and that there is sufficient budget within the project. Approval from PAES/FACOPS/UITs/CPDC of the internal billing is required as well.

When FFE (including Information Technology equipment) is procured and paid directly by UCH utilizing UCONN 2000 bond funds, a disbursement voucher will be initiated in KFS upon submission to PA of an invoice with detailed back-up documentation.

ACCOUNTING POLICIES

UConn Management Fees Allocation

The University allocates the salaries and fringes for designated employees representing indirect costs associated with capital projects. The method is to allocate to each project an amount of UConn management fees equal to a fixed percentage of the total costs for that project. This allocation is reviewed on a periodic basis due to changes that may occur in employees and the associated salaries and fringe benefits.

Equipment, Library Collections & Telecommunications

The allocation of Equipment, Library Collections and Telecommunications funds in each fiscal year is coordinated by Finance. Generally, individual accounts are set up for each department. Purchases are initiated by individual departments and Procurement Services is responsible for adherence to University procurement policies and procedures. PA and the Budget Office monitor budgets and expenses in these accounts.

Recoding Expenditures

Movement of expenditures to and from capital projects may be necessary. When the movement of expenditures is needed, an accounting entry is prepared and routed through KFS workflow. Sufficient documentation must be attached. The accounting entry is approved by PA, the Manager of PA or the Associate Controller & Director of Accounting. For the movement of UCONN 2000 expenditures, Controller approval is also required unless the entry is for an error correction.

Reimbursing UCH for Deferred Maintenance/Code/ADA Renovation Lump Sum and Equipment, Library & Telecommunications Expenditures and Reconciliation

For UCH UCONN 2000 projects, DM projects and Equipment acquisitions, which are completed in accordance with UCH standard policies and procedures, expenditures are tracked through the Finance Division at UCH. UCH is reimbursed for DM and Equipment expenditures. For these two named lines authorized for UCH under the UCONN 2000 program, UCH spends their own funds first and then applies for reimbursement. PA in Storrs reviews the reimbursement request for appropriateness, and prepares a disbursement voucher which is routed to the Manager of PA and AVP CPDC for approval prior to Accounts Payable.

Review of the UCONN 2000 records from UCH to ensure that they agree to the UCONN 2000 records in the University's KFS system is required. This includes reconciling the detail of the UCH expenditures for DM and Equipment to the University's records of reimbursement. UCH balances are reconciled to the UCONN 2000 cash flow report.

Project Financial Closeout

Financial closeout of a project is performed by PA after PA is notified that construction on a project is completed. The timing of financial closeout varies due to final change order negotiation, delayed invoicing or warranty issues.

After the project is financially closed out, the unspent funding may be returned to the source account(s) from which it originated or it may be reallocated to a new project. If reallocating UCONN 2000 funds to a new named line, an indenture change approved by the BOT is required.

If a project is substantially complete but not ready for financial closeout, PAES/FACOPS/UITs/CPDC may notify PA that remaining budget funds, net of encumbrances and specific estimated contingencies, be removed from the project. The remaining funds may then be re-assigned to another project.

In addition, twice a year, BOT approved active projects will be reviewed by Finance and PAES/FACOPS/UITs/CPDC to determine whether the project is still viable. The status of a project may change due to one of the following reasons: (1) the reprioritization of or lack of sufficient funding; (2) the key driver for the project has changed; or (3) the project requires further scope definition. In any of these instances, the project may be withdrawn from the list of approved active projects and the BOT will be notified. A project budget will need to be resubmitted to the BOT if it is to move forward at a future date.

MISCELLANEOUS

Project Reporting

Finance produces many reports having to do with capital projects for internal and external purposes. Some reporting is done in conjunction with PAES/FACOPS/UITs/CPCA/CPDC. In addition, numerous ad-hoc reports are utilized for internal monitoring and control purposes.

Project Audits

An independent accounting firm is engaged to do an annual audit of projects substantially completed during the previous fiscal year. These projects are UCONN 2000 named projects of any amount or DM projects with a value greater than \$500,000. An "Agreed Upon Procedure" audit of the current year's expenses is also performed.

The State of Connecticut Auditors of Public Accounts have an office at the University and perform many audit functions. PA provides them with various types of information on capital projects. The Office of Audit, Compliance and Ethics also performs audit functions related to capital projects that require PA's assistance.

Construction Management Oversight Committee

In 2006, UCONN 2000 provisions were amended under Public Act 06-134 to include the creation of the Construction Management Oversight Committee (CMOC). CMOC reviews and approves the University policies and procedures under which the UCONN 2000 program operates.

ENFORCEMENT

Violations of these policies may result in appropriate disciplinary measures in accordance with University Laws and By-Laws, General Rules of Conduct for All University Employees, applicable collective bargaining agreements, and the University of Connecticut Student Conduct Code.

Note: The University will continue to refine this manual going forward to achieve further efficiencies and maintain compliance with all federal and state regulations. Modifications such as names of processes, forms, titles of positions as authorized signors, and names of systems and/or documents within systems will be implemented as long as they do not substantially change the intent of this manual.