

Board of Trustees Review and Approval of Facilities Improvement Projects, Planning Studies, and Real Estate Transactions

University Policy

Applies to: All customers and coordinators of facilities improvements projects, planning studies, and real estate transactions.

Responsible Office:

Office of Administration and Planning

POLICY

Issued: 02/01/2008

Revised: 08/18/2023 (minor revision)

The Ohio State Board of Trustees desires to ensure that the university has the flexibility to undertake **facilities improvement projects**, planning studies, and/or real estate transactions in an expeditious manner while preserving the authority and ability of the Board of Trustees to review and approve projects, studies, and transactions as the Board of Trustees determines appropriate.

The university must provide for Board of Trustees review in any case in which the provisions of this policy are unclear or subject to varying interpretation.

This policy is not intended to limit Board of Trustees review of any project or action as the Board of Trustees determines appropriate.

Purpose of the Policy

To provide for the flexibility needed to ensure the timely completion of facilities improvement projects, planning studies, and real estate transactions while ensuring that the Board of Trustees retains the authority and ability to exercise appropriate oversight.

Definitions

| Term | Definition |
|--|---|
| Capital Executive Sponsor Group | Senior leadership group responsible for the approval and oversight of campus plans, facilities improvement projects, planning studies, and real estate transactions. |
| Concessionaire facilities improvement projects | Any improvement to or replacement or expansion of the components of the university's utility facilities on the Columbus campus, that is capital in nature; any energy conservation measure on the Columbus campus intended to increase the efficiency of the university's utility system or reduce energy use intensity, whether capital in nature or not, and whether on the university's utility facilities or non-utility facilities; and any material change in the dimensions, character, quality or location of any part of the university's utility system that is not otherwise covered in this definition. |
| Facilities improvement projects | Any initiatives undertaken on behalf of the university that improve the physical environment in support of the academic mission, other than concessionaire facilities improvement projects . Projects covered under this policy would include, but may not be limited to, activities that involve design, land acquisition, repair, maintenance, construction, reconstruction, renovation, demolition, landscaping, roads and grounds improvements/maintenance, building and systems repairs/replacement, client-specific projects, major emergency responses and any capital improvement project. |
| Public bidding threshold | The monetary threshold as set by the Ohio Facilities Construction Commission that requires projects to be competitively bid per Chapter 153 of the Ohio Revised Code. For the current bidding threshold, reference Ohio Administrative Code 153:1-9-01 . |
| Public exigency | An injury or obstruction that occurs in any university property that materially impairs its immediate use or places in jeopardy property adjacent to it, or an immediate danger of such an injury or obstruction. |

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| Term | Definition |
|------|---------------------------------|
| Unit | College or administrative unit. |

Policy Details

- I. The Board of Trustees retains sole authority with respect to university facilities improvement projects, planning studies, and real estate transactions unless otherwise delegated and subject to state law.
- II. The senior vice president for administration and planning, in consultation with the Board of Trustees, is responsible for the coordination of the implementation of this policy.

PROCEDURE

Issued: 02/01/2008

Revised: 08/18/2023 (minor revision)

- I. Facilities Improvement Projects
 - A. All facilities improvement projects must follow all applicable university policies regardless of funding source except when a **public exigency** is declared by the Board of Trustees or as otherwise authorized by this policy.
 - B. All facilities improvement projects estimated to cost equal to or more than the state of Ohio's **public bidding threshold** must be in the university's capital plan and must adhere to the following:
 1. Proposed facilities improvement projects with multiple funding sources must complete a Project Funding Agreement and satisfy all funding requirements as set forth in the [University Debt policy](#).
 2. Any facility improvement project not exceeding \$1 million with all funds (cash or auxiliary) available may proceed to design and construction services.
 3. Any facilities improvement project estimated to cost more than \$1 million but less than \$4 million, regardless of funding source, requires specific project funding review and approval by the senior vice president for business and finance and chief financial officer as well as the senior vice president for administration and planning prior to any approval for contracting for design or construction services. This approval constitutes complete approval for the project, including site selection, design, construction, and any other services needed.
 4. Any facilities improvement project estimated to cost at least \$4 million but less than \$10 million requires specific project review and approval by the Board of Trustees. This approval constitutes complete approval for the project, including site selection, design, construction, and any other services needed, except as specifically noted in the approving resolution.
 5. Any facilities improvement project estimated to cost \$10 million or more requires separate project review and approval by the Board of Trustees for both design and construction, except as specifically noted in the approving resolution. Additionally, separate review and approval may be required for site selection and other services needed, as noted in the approving resolution.
 - C. Once a facility improvement project has been approved by the Board of Trustees, the Office of Administration and Planning must ensure the project costs (including costs for design, construction, construction management, or other services) do not exceed the approved amount presented to the Board of Trustees at the time of approval without specific Board of Trustee review and approval except as follows:
 1. For projects under \$4 million, the university may increase the total project budget as long as the increase is approved by the requesting department and funding for the increase is secured.

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2. For projects of \$4 million or more, the university may increase the total project budget cumulatively by no more than 10% of the total project budget or \$1 million, whichever is less, so long as funding for the increase is secured.
3. All project cost increases in excess of the public bidding threshold must be approved by the Integrated Physical Planning Liaison Group (IPPLG) and the Integrated Capital Planning Group (ICPG).
- D. In the intervening periods between regularly scheduled meetings of the Board of Trustees, the chair of the Master Planning and Facilities Committee, in consultation with the chair of the Finance and Investment Committee and in consideration of any necessary information provided by the senior vice president for administration and planning, may take any of the actions outlined below. Any such action will then be reported to the Board of Trustees at its next regularly scheduled meeting.
 1. Authorize any facilities improvement project that otherwise would require review and approval by the Board of Trustees;
 2. Authorize any increase in the total project budget of any facility improvement project that otherwise would require review and approval by the Board of Trustees; and
 3. Request that the executive director of the Ohio Facilities Construction Commission issue a declaration of a public exigency affecting university property in accordance with [Ohio Revised Code Section 123.10](#).
- E. The Office of Administration and Planning must report annually to the Board of Trustees on all projects estimated to cost \$4 million or more that were completed during the previous year. The report will include determination as to whether the project was on time and on budget.
- F. The Office of Administration and Planning must report at each board meeting the status of each facilities improvement project of \$20 million or more and annually on any other facilities project as required by the Board of Trustees. The report will include determination as to whether the project is on time and on budget and include appropriate metrics.

II. Planning Studies and Project Siting

- A. Any planning study (including any feasibility, technical, siting, or other planning study) estimated to cost \$250,000 or more requires Board of Trustees review and approval. Any planning study originally estimated at less than \$250,000 that goes over that amount requires Board of Trustees review and approval. Any planning study estimated to cost less than \$250,000 and more than \$75,000 requires review and approval by the senior vice president for administration and planning.
- B. Any proposed changes to the approved University Master Plan and District Plans require review and approval by the **Capital Executive Sponsor Group** and Board of Trustees.
- C. Site selection requires review and approval by the Capital Executive Sponsor Group and Board of Trustees if not in compliance with the approved University Master and District Plans.

III. Real Estate Transactions

- A. Any easement, other than an easement for street, roadway, or highway purposes, to be granted to another party for use of university property for a term of not more than 25 years requires review and approval by the senior vice president for administration and planning. Such an easement for a term greater than 25 years requires review and approval by the Board of Trustees.
- B. Approval of replacement or renewal easements for existing agreements that benefit the university and that were previously approved by the Board of Trustees as outlined in item III.A may be granted for a like term by the university through the review and written approval of the senior vice president for administration and planning.

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- C. Any sale or purchase of real property in the name of the Board of Trustees or the university, or acceptance of the gift of real property, requires review and approval by the Board of Trustees. See the [Gift Acceptance policy](#) for more information regarding gifts of real property.
- D. All leases of real property by the university with a present lease value greater than \$10 million require review and approval by the Board of Trustees. Leases of real property between the university and a significant interest affiliate of the university do not require review and approval of the Board of Trustees.

IV. Energy or Water Saving Contracts, Including Performance Contracts

- A. Any request for proposals for energy or water saving contracts must follow the requirements of [Ohio Revised Code, Sections 3345.61-66](#).
- B. In addition to the Ohio Revised Code, non-concessionary and/or non-Columbus contracts may be subject to additional [performance guidelines](#) to ensure alignment with Ohio State's sustainability goals.

Responsibilities

| Position or Office | Responsibilities |
|---------------------------------------|--|
| Office of Administration and Planning | <ol style="list-style-type: none"> 1. Ensure that project costs do not exceed approved amount without written approval from the senior vice president for administration and planning or Board approval. 2. Report annually to the Board on all projects estimated to cost \$4 million or more that were completed during the previous year. 3. Report at each Board meeting the status of each major facilities improvement project of \$20 million or more and annually on any other facilities project as required. |
| Board of Trustees (Board) | <ol style="list-style-type: none"> 1. Retain sole authority with respect to university facilities improvement projects, planning studies, and real estate transactions unless otherwise delegated and subject to state law. 2. Review and approve any facilities improvement project estimated to cost \$4 million or more. 3. Provide separate project review and approval for any facilities improvement project estimated to cost \$10 million or more. 4. Review and approve increases in project costs totaling the lesser of 10% of the total project budget or \$1 million, whichever is less, so long as the funding for the increase is secured. 5. Review and approve any planning study estimated to cost \$250,000 or more. 6. Review and approve any planning study originally estimated to cost less than \$250,000 that goes over that amount. 7. Review and approve, with Capital Executive Sponsors Group, any proposed changes to the approved University Master Plan, and District Plans. 8. Review and approve, with Capital Executive Sponsors Group, requests for site selection not in compliance with University Master and District Plans. 9. Review and approve any easement, other than an easement for street, roadway and highway purposes, to be granted to another party for use of university property for a term greater than 25 years. 10. Review and approve any sale or purchase of real property in the name of the Board of Trustees or the university, or the acceptance of the gift of real property. 11. Review and approve all leases of real property with a present lease value greater than \$10 million except those between the university and a significant interest affiliate. |
| Capital Executive Sponsors Group | <ol style="list-style-type: none"> 1. Approve and provide oversight of campus plans, facilities improvement projects, planning studies, and real estate transactions. 2. Review and approve, with the Board, any proposed changes to the approved University Master Plan and District Plans. 3. Review and approve, with the Board, requests for site selection not in compliance with University Master and District Plans. |

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| Chair of the Master Planning and Facilities Committee | <ol style="list-style-type: none"> Between regularly scheduled Board meetings, authorize any facilities improvement projects and increases in total project budgets that otherwise would require review and approval by the Board. Between regularly scheduled Board meetings, request that the executive director of the Ohio Facilities Construction Commission issue a declaration of a public exigency affecting university property. |
| Chair of the Finance and Investment Committee | Consult with chair of the Master Planning and Facilities Committee on any actions taken between regularly scheduled Board meetings. |
| Integrated Capital Planning Group (ICPG) | Approve all increases in project costs over the public bidding threshold, as appropriate. |
| Integrated Physical Planning Liaison Group (IPPLG) | Approve all increases in project costs over the public bidding threshold, as appropriate. |
| Senior vice president for administration and planning | <ol style="list-style-type: none"> Review and approve, with the senior vice president for business and finance and CFO, any facilities improvement project estimated to cost more than \$1 million but less than \$4 million prior to any approval for contracting for design or construction services. Provide necessary information to chair of Master Planning and Facilities Committee and chair of the Audit, Finance, and Investment Committee if action(s) are required between regularly scheduled Board meetings, and report any actions taken at the next scheduled Board meeting. Review and approve any planning study estimated to cost more than \$75,000 and less than \$250,000. Review and approve any easement other than an easement for street, roadway, and highway purposes, to be granted to another party for use of university property for a term of not more than 25 years. Review and approve, in writing, replacement or renewal easements for existing agreements that were previously approved by the Board as set forth in the policy. |
| Senior vice president for business and finance and chief financial officer (CFO) | Review and approve, with the senior vice president for administration and planning, any facilities improvement project estimated to cost more than \$1 million but less than \$4 million prior to any approval for contracting for design or construction services. |

Resources

Ohio Revised Code

Chapter 153 – Competitive Bidding Procedures, codes.ohio.gov/ohio-revised-code/chapter-153

Chapter 4115 – Prevailing Wage Law, codes.ohio.gov/ohio-revised-code/chapter-4115

Section 123.10 – Declaration of Public Exigency, codes.ohio.gov/ohio-revised-code/section-123.10

Section 3345.65 – Request for proposals – awarding of contract, codes.ohio.gov/ohio-revised-code/section-3345.65

Section 3345.61 (B)(8) – Energy conservation measures definitions, codes.ohio.gov/ohio-revised-code/section-3345.61

Governance Documents

Fiscal Stewardship policy, go.osu.edu/fiscal-stewardship-policy

Gift Acceptance policy, go.osu.edu/gift-acceptance-policy

Performance Guidelines for nonconcessionaire and/or non-Columbus Energy or Water Savings Contracts, go.osu.edu/performance-guidelines

Policy on Purchasing and Competitive Bidding, go.osu.edu/bppcb-policy

Purchasing policy, go.osu.edu/purchasing-policy

University Debt policy, go.osu.edu/university-debt-policy

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Contacts

| Subject | Office | Telephone | E-mail/URL |
|---|--|--------------|--|
| Planning studies and project siting, Real estate transactions | Planning Architecture and Real Estate | 614-688-3715 | pare.osu.edu |
| Facilities improvement projects, Energy-savings contracts | Facilities Operations and Development, Administration and Planning | 614-292-0257 | fod.osu.edu |
| General policy questions | Administration and Planning | 614-292-3080 | ap.osu.edu |

History

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| Issued: | 02/01/2008 | Approved by Board of Trustees, 02/01/2008, Resolution #2008-81 |
| Edited: | 01/01/2009 | Approved by Board of Trustees, 11/01/2008, Resolution #2009-45 |
| Revised: | 06/05/2009 | Approved by Board of Trustees, 06/05/2009, Resolution #2009-99 |
| Revised: | 09/01/2014 | Approved by Board of Trustees, 04/05/2013, Resolution #2013-88 |
| Revised: | 08/30/2022 | Approved by Board of Trustees, 08/18/2022, Resolution #2023-22 |
| Edited: | 09/14/2022 | Updated name of Audit, Finance and Investment Committee to Finance and Investment Committee |
| Revised: | 08/18/2023 | Minor revision |