



1111 Franklin Street  
 Oakland, CA 94607-5200  
 Phone: (510) 987-9074  
 Fax: (510) 987-9086  
<http://www.ucop.edu>

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**CHANCELLORS  
 DIRECTOR—LAWRENCE BERKELEY NATIONAL LABORATORY  
 VICE PRESIDENT--AGRICULTURE AND NATURAL RESOURCES**

**Delegation of Authority--Amendments to the Capital Improvement Program for Non-State-Funded Minor Capital Improvement Projects with a Total Project Cost Not to Exceed \$400,000, for Non-State-Funded Major Capital Improvement Projects with a Total Project Cost Not to Exceed \$5,000,000, and for Major Capital Improvement Projects approved for Inclusion in the Pilot Phase of Process Redesign for Capital Improvement Projects**

Standing Order of The Regents 100.4 provides certain authorities to the President of the University. At the November 20, 2008 meeting, the Regents adopted a temporary amendment of Standing Order 100.4 - Duties of the President of the University, including sections (q) (1) and (q) (2). These changes to the Standing Orders facilitate implementation of the *Pilot Phase of Process Redesign for Capital Improvement Projects* ("Pilot Process") as approved by The Regents in March 2008.

**Non-State-funded major and minor capital improvement projects with a total project cost not to exceed \$5,000,000**

Under Section 100.4(q) (1):

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(q)(1) Except as provided in paragraph (q) (2) below, the President is authorized to approve amendments to the Capital Improvement Program for projects not to exceed \$10 million. The President is also authorized to approve amendments to the Capital Improvement Program for projects exceeding \$10 million up to and including \$20 million, provided that concurrence is obtained from the Chairman of the Board and the Chairman of the Committee on Grounds and Buildings, and also provided that all actions taken in excess of \$10 million up to and including \$20 million under this authority be reported at the next following meeting of the Board. However, the following shall be approved by the Board: (1) projects with a total cost in excess of \$20 million, (2) for projects in excess of \$20 million, any modification in project cost over standard cost-rise augmentation in excess of 25 percent, or (3) capital improvement projects of any construction cost when, in the judgment of the President, a project merits review and approval by The Regents because of special circumstances related to budget matters, external financing, fundraising activities, project design, environmental impacts, community concerns, or substantial program modifications.

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Effective immediately, you are delegated authority to approve amendments to the Capital Improvement Program for non-State-funded minor capital improvement projects (total project cost equal to or less than \$400,000) and major capital improvement projects (total project cost equal to or greater than \$400,000 with a total project cost not to exceed \$5,000,000). This authority excludes: (1) the addition of a new project with a total cost in excess of \$5,000,000; (2) any modification in project cost which results in a project costing in excess of \$5,000,000; (3) any substantial program modification of a project previously approved by the Regents or the Vice President for Budget and Capital Resources; (4) any project funded fully or in part by State funds; (5) any project which was denied funding by the State; or (6) projects involving Chancellorial residences or offices. Category (6) projects up to \$25,000 require prior approval of the Executive Vice President – Business Operations, and projects between \$25,000 and \$5,000,000

require prior approval of the President, and will be reported to the Regents annually in September. Chancellorial housing or office projects exceeding \$5,000,000 in cost must receive prior approval from the Regents.

State support for the maintenance of non-state-funded facilities cannot be guaranteed, and the request for such funding may require more fully descriptive project documentation.

Any project with potential significant environmental impact is subject to the California Environmental Quality Act. Therefore, there is no guarantee that projects added to the Capital Improvement Program list will necessarily proceed to construction. The decision to proceed occurs at the design approval stage and must be accompanied by appropriate environmental impact information. Authority for project design approval is addressed in DA 2219.

Additions to the Capital Improvement Program for non-State-funded major and minor capital improvement projects with a total project cost not to exceed \$5,000,000 approved under this authority must be reported to the Vice President for Budget and Capital Resources on an annual basis within one month of the close of the fiscal year. Such reports must be transmitted by a letter containing a statement of approval. Reports shall contain the project title, budget, and fund sources.

Authority for major capital improvement projects (total costs exceeding \$400,000 with a total project cost not to exceed \$5,000,000) may not be redelegated. The authority for minor capital improvement projects (total costs not to exceed \$400,000) may be redelegated within the above parameters. Any such redelegation shall be in writing with copies to the General Counsel and Vice President for Legal Affairs and to the Universitywide Policy Office.

Pilot Phase of Process Redesign for Capital Improvement Projects, Amendments to the Capital Improvement Program for projects not to exceed \$60 million

Standing Order 100.4(q) (2) provides as follows:

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(q)(2) This paragraph shall apply exclusively to capital projects on campuses approved by the Committee on Grounds and Buildings for inclusion in the *Pilot Phase of Process Redesign for Capital Improvement Projects*. The President is authorized to approve amendments to the Capital Improvement Program for projects not to exceed \$60 million. However, the following shall be approved by the Board: (1) projects with a total cost in excess of \$60 million, (2) for projects in excess of \$60 million, any modification in project cost over standard cost-rise augmentation in excess of 25 percent, or (3) capital improvement projects of any construction cost when, in the judgment of the President, a project merits review and approval by The Regents because of special circumstances related to budget matters, external financing, fundraising activities, project design, environmental impacts, community concerns, or substantial program modifications.

This paragraph shall become inoperative and is repealed on March 31, 2010, unless a later Regents' action, that becomes effective on or before March 31, 2010, deletes or extends the date on which it becomes inoperative and is repealed.

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Effective immediately, Chancellors are delegated the authority provided under Standing Order 100.4(q)(2) for projects within their respective jurisdictions to approve amendments to the Capital Improvement Program for projects not to exceed \$60 million, provided that the Chancellors shall report annually to my office any changes or updates to the Ten-Year Capital Financial Plans, consistent with the *Pilot Process* and with Proposed Guidelines for Implementation of the *Pilot Process*.

This delegation shall apply exclusively to capital projects on campuses approved by the Committee on Grounds and Buildings for inclusion in the *Pilot Process* approved by the Regents in March 2008. Standing Order 100.4(q)(1) remains in effect for all projects that do not qualify for inclusion in the *Pilot Process*.

The exercise of this authority shall be in accordance with guidelines established by the Regents and the President, as they may be amended from time to time. These shall include and are not limited to the following reporting and accountability requirements: (a) a project data report, reporting the adherence to plans and aggregated performance on specific metrics of Regental and Presidential interest; and (b) an audit, monitoring the factual validity of information reported throughout the process, along with Regental and Presidential policy compliance. The authority delegated to the Chancellors under Standing Order 100.4(q)(2) may not be further redelegated.

This delegation supersedes the delegations of March 22, 2006 to the Chancellors and the Vice President – Agricultural and Natural Resources on the same subject (DA 2158 and DA 2159).

[original signed by M. Yudof]

Mark G. Yudof  
President

cc: Members, President's Cabinet  
Vice President for Budget and Capital Resources  
Associate Vice President – Budget Operations  
Associate Vice President – Capital Resources Management  
Universitywide Policy Office