

## OHIO BOARD OF REGENTS

### **3333-1-24 LOCAL ADMINISTRATION OF CAPITAL PROJECTS RECEIVING OVER FOUR MILLION DOLLARS IN STATE CAPITAL APPROPRIATIONS.**

#### **(A) AUTHORITY**

- (1) THIS RULE IS ESTABLISHED BY AUTHORITY CONFERRED UPON THE OHIO BOARD OF REGENTS IN SECTION 3345.50 OF THE REVISED CODE.

#### **(B) BACKGROUND**

- (1) SECTION 3345.50 OF THE REVISED CODE ALLOWS INSTITUTIONS TO LOCALLY ADMINISTER ANY CAPITAL PROJECT FOR WHICH THE TOTAL AMOUNT OF FUNDS EXPECTED TO BE APPROPRIATED BY THE GENERAL ASSEMBLY DOES NOT EXCEED FOUR MILLION DOLLARS.
- (2) SECTION 3345.50 OF THE REVISED CODE PROVIDES FOR THE BOARD OF REGENTS AND DEPARTMENT OF ADMINISTRATIVE SERVICES TO GRANT LOCAL ADMINISTRATION AUTHORITY FOR CAPITAL PROJECTS WHICH WILL EXCEED FOUR MILLION DOLLARS IN STATE CAPITAL APPROPRIATIONS ON A CASE BY CASE BASIS, SUBJECT TO THE CRITERIA ESTABLISHED BY THIS RULE.

#### **(C) DEFINITIONS**

- (1) "INSTITUTION" MEANS A STATE UNIVERSITY, A STATE COMMUNITY COLLEGE, THE NORTHEASTERN OHIO UNIVERSITIES COLLEGE OF MEDICINE, AND THE MEDICAL COLLEGE OF OHIO AT TOLEDO.
- (2) "CAPITAL PROJECT" MEANS A PROJECT WHICH CONSISTS OF CONSTRUCTION, RECONSTRUCTION, IMPROVEMENT, RENOVATION, ENLARGEMENT, OR ALTERATION, OR OTHER STRUCTURAL IMPROVEMENTS, OR THE INSTALLATION OF HEATING, COOLING, OR VENTILATING PLANT OR OTHER EQUIPMENT OR MATERIAL SUPPLIED THEREFORE.
- (3) "CONTRACT DOCUMENTS" MEANS THE STANDARD CONDITIONS OF CONTRACT FOR CONSTRUCTION AND THE AGREEMENT FOR PROFESSIONAL DESIGN SERVICES FOR DESIGN ASSOCIATES, ENGINEERS AND CONSTRUCTION MANAGERS.
- (4) "INSTITUTIONAL DESIGNEE" MEANS THE INDIVIDUAL DESIGNATED BY THE INSTITUTION AS THE PRINCIPAL CONTACT FOR ALL CAPITAL PROJECTS FOR WHICH LOCAL ADMINISTRATION HAS BEEN GRANTED. THE "INSTITUTIONAL DESIGNEE" MAY BE EITHER A UNIVERSITY ARCHITECT OR

DIRECTOR OF CAPITAL FACILITIES OR COMMUNITY COLLEGE  
VICE PRESIDENT.

**(D) PROCESS AND CRITERIA FOR PERMITTING LOCAL  
ADMINISTRATION OF CAPITAL PROJECTS WHICH EXCEED  
FOUR MILLION DOLLARS IN STATE CAPITAL APPROPRIATIONS**

- (1) BIENNIAL APPLICATION
- (a) CAPITAL PROJECTS WHICH RECEIVE OR ARE EXPECTED TO RECEIVE STATE CAPITAL APPROPRIATIONS OVER ONE OR MORE BIENNIUMS IN EXCESS OF FOUR MILLION DOLLARS MAY BE LOCALLY ADMINISTERED PROVIDED THE FOLLOWING CRITERIA ARE MET AS DETERMINED BY THE CHANCELLOR OF THE BOARD OF REGENTS OR DESIGNEE AND THE DIRECTOR OF ADMINISTRATIVE SERVICES OR DESIGNEE. IF BOTH DO NOT CONCUR, THE INSTITUTION SHALL BE NOTIFIED OF THE REASON. IF APPROVED, LOCAL ADMINISTRATION SHALL BE GRANTED FOR THE LIFE OF THE PROJECT, SUBJECT TO PARAGRAPH D(2)(b) OF THIS RULE.
  - (b) EXCEPT AS PROVIDED IN PARAGRAPH (D)(3) OF THIS RULE, EACH BIENNIUM, AN INSTITUTION MAY REQUEST LOCAL ADMINISTRATION OF SUCH CAPITAL PROJECTS.
  - (c) AS PART OF THE BIENNIAL PROCESS FOR GRANTING LOCAL ADMINISTRATION AUTHORITY, THE INSTITUTION SHALL SUBMIT THE FOLLOWING FOR THE REVIEW AND APPROVAL BY THE CHANCELLOR OF THE BOARD OF REGENTS OR DESIGNEE AND THE DIRECTOR OF ADMINISTRATIVE SERVICES OR DESIGNEE. IF BOTH DO NOT CONCUR, THE INSTITUTION SHALL BE NOTIFIED OF THE REASON.
    - (i) THE NAME AND CREDENTIALS SUPPORTING THE INDIVIDUAL SERVING AS THE “INSSTITUTIONAL DESIGNEE” FOR BOTH ONGOING AND NEW CAPITAL PROJECTS.
    - (ii) THE ANTICIPATED STAFFING LEVELS FOR BOTH ONGOING AND NEW CAPITAL PROJECTS.
    - (iii) EVIDENCE OF THE INSTITUTION’S PREVIOUS PROJECT MANAGEMENT EXPERIENCE. THE INSTITUTION SHALL SUBMIT A LIST OF LOCALLY ADMINISTERED PROJECTS; THE PROJECT’S TOTAL BUDGET AMOUNT; THE SQUARE FOOTAGE OF THE PROJECT (IF APPLICABLE); THE PROJECT SCHEDULE; THE PROJECT MANAGEMENT TEAM; AND THE CURRENT STATUS OF THE PROJECT,

USING THE STATUS LEVELS DEFINED BY THE BOARD OF REGENTS.

- (iv) A LISTING OF PROJECTS FOR WHICH LOCAL ADMINISTRATION AUTHORITY IS REQUESTED. THE LIST SHALL INCLUDE THE PROJECT NAME; PROJECT DESCRIPTION; TOTAL PROJECT BUDGET AMOUNT; LEVEL OF LOCAL FUNDING CONTRIBUTED TO THE PROJECT; EXPECTED START DATE AND THE PROJECT MANAGEMENT TEAM.
- (v) ANY OTHER INFORMATION REQUESTED BY THE CHANCELLOR OF THE BOARD OF REGENTS OR DESIGNEE OR THE DIRECTOR OF ADMINISTRATIVE SERVICES OR DESIGNEE.
- (vi) IF STAFFING OR MATERIAL CONDITIONS CHANGE ONCE LOCAL ADMINISTRATION AUTHORITY HAS BEEN GRANTED, THE INSTITUTION SHALL NOTIFY THE CHANCELLOR OF THE BOARD OF REGENTS OR DESIGNEE AND THE DIRECTOR OF ADMINISTRATIVE SERVICES OR DESIGNEE.

(2) REVOCATION OF LOCAL ADMINISTRATION

- (a) REVOCATION OF THE APPROVAL TO LOCALLY ADMINISTER A CAPITAL PROJECT MAY OCCUR IF AN INSTITUTION FAILS TO DEMONSTRATE AN ABILITY TO PROPERLY MANAGE THEIR CAPITAL PROJECTS AND/OR FAILS TO COMPLY WITH THE REQUIREMENTS OF THIS RULE DURING THE CAPITAL PROJECT.
- (b) IF THE DIRECTOR OF THE DEPARTMENT OF ADMINISTRATIVE SERVICES OR DESIGNEE WITH CONCURRENCE OF THE CHANCELLOR OF THE BOARD OF REGENTS OR DESIGNEE DETERMINES THAT AN INSTITUTION HAS FAILED TO DEMONSTRATE AN ABILITY TO PROPERLY MANAGE THEIR CAPITAL PROJECTS AND/OR HAS FAILED TO COMPLY WITH THE REQUIREMENTS OF THIS RULE THEN PROJECT ADMINISTRATION SHALL BE ASSIGNED TO THE OFFICE OF THE STATE ARCHITECT IN THE DEPARTMENT OF ADMINISTRATIVE SERVICES.

(3) MID CYCLE APPLICATIONS

- (a) AN INSTITUTION MAY REQUEST LOCAL ADMINISTRATION AUTHORITY FOR PROJECTS NOT APPROVED AS PART OF THE BIENNIAL PROCESS, EITHER BECAUSE THE INSTITUTION HAD NOT REQUESTED LOCAL ADMINISTRATION AUTHORITY OR BECAUSE THE INSTITUTION HAS RESPONDED TO THE PROBLEM(S) CAUSING EARLIER DENIAL.

- (b) ONCE THE OFFICE OF THE STATE ARCHITECT IN THE DEPARTMENT OF ADMINISTRATIVE SERVICES HAS BEGUN ADMINISTRATION OF A CAPITAL PROJECT THE GRANTING OF LOCAL ADMINISTRATION IS AT THE DISCRETION OF THE DIRECTOR OF ADMINISTRATIVE SERVICES OR DESIGNEE AND THE CHANCELLOR OF THE BOARD OF REGENTS OR DESIGNEE, SUBJECT TO THE REQUIREMENTS OF THIS RULE.

**(E) REQUIREMENTS FOR THE LOCAL ADMINISTRATION OF CAPITAL PROJECTS WHICH EXCEED FOUR MILLION DOLLARS IN STATE CAPITAL APPROPRIATIONS**

- (1) AN INSTITUTION SHALL USE THE CONTRACT DOCUMENTS FOR DESIGN ASSOCIATES AND ENGINEERS, CONSTRUCTION MANAGERS AND CONTRACTS FOR CONSTRUCTION DEVELOPED BY THE DEPARTMENT OF ADMINISTRATIVE SERVICES, AS AMENDED PERIODICALLY.
- (a) AN INSTITUTION MAY MODIFY THE CONTRACT DOCUMENTS WHERE NECESSARY FOR THE SPECIFIC NEEDS OF A PARTICULAR PROJECT AND TO IDENTIFY THE INSTITUTION AS THE CONTRACTING ENTITY.
- (b) THE DEPARTMENT OF ADMINISTRATIVE SERVICES SHALL BE NOTIFIED OF ANY CONTRACT MODIFICATION BEYOND CHANGES TO IDENTIFY THE INSTITUTION AS THE CONTRACTING ENTITY. THE DEPARTMENT OF ADMINISTRATIVE SERVICES MAY DISAPPROVE SUCH MODIFICATIONS.
- (2) AN INSTITUTION SHALL COMPLY WITH ALL APPLICABLE STATE LAWS GOVERNING PUBLIC IMPROVEMENT (CAPITAL) PROJECTS, INCLUDING, BUT NOT LIMITED TO, CHAPTER 153. OF THE REVISED CODE; SECTIONS 9.31 TO 9.333 OF THE REVISED CODE.
- (3) AN INSTITUTION SHALL ADVERTISE FOR THE SELECTION OF A DESIGN ASSOCIATE FOR A CAPITAL PROJECT IN THE OHIO REGISTER. THE CAPITAL PROJECT MAY ALSO BE ADVERTISED IN THE LOCAL MEDIA.
- (4) AN INSTITUTION SHALL COMPLY WITH SECTIONS 153.06 AND 153.07 OF THE REVISED CODE REGARDING ADVERTISEMENT FOR CONSTRUCTION.
- (5) AN INSTITUTION SHALL COMPLY WITH THE STATUTORY REQUIREMENTS FOR THE ESTABLISHMENT OF LIEN ESCROW ACCOUNTS AND THE PROCESSING OF CONTRACTOR PAYMENT REQUESTS SUBJECT TO ANY OUTSTANDING LIENS.
- (6) AN INSTITUTION SHALL USE THE ALTERNATIVE DISPUTE RESOLUTION PROCESS ESTABLISHED BY THE DEPARTMENT OF ADMINISTRATIVE SERVICES FOR THE RESOLUTION OF CONSTRUCTION DISPUTES.

**(F) AUTHORIZATION TO LEVY FEES BY THE DEPARTMENT OF ADMINISTRATIVE SERVICES AND THE INSTITUTION.**

- (1) THE DIRECTOR OF THE DEPARTMENT OF ADMINISTRATIVE SERVICES OR DESIGNEE, WITH THE CONCURRENCE OF THE CHANCELLOR OF THE BOARD OF REGENTS OR DESIGNEE, MAY ASSESS AN ANNUAL FEE FOR GENERAL ASSISTANCE APPLICABLE TO ALL CAPITAL PROJECTS FOR WHICH LOCAL AUTHORITY HAS BEEN GRANTED.
  - (a) UPON REQUEST FROM THE INSTITUTION, ADDITIONAL SERVICES MAY BE PROVIDED BY THE OFFICE OF THE STATE ARCHITECT IN THE DEPARTMENT OF ADMINISTRATIVE SERVICES FOR AN ADDITIONAL NEGOTIATED FEE.
- (2) INSTITUTIONS MAY ASSESS A LOCAL ADMINISTRATION FEE FOR A CAPITAL PROJECT FOR WHICH LOCAL ADMINISTRATION AUTHORITY HAS BEEN GRANTED. THE FEE SHALL NOT EXCEED 1.5 PER CENT OF ACTUAL CONSTRUCTION COSTS.

Effective Date: \_\_\_\_\_

RC 119.032 Review Dates: \_\_\_\_\_

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Certification

\_\_\_\_\_  
Date

Promulgated under: RC Sec. 119.03  
Statutory Authority: RC Sec. 3345.50  
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