

POLICY TITLE: CAPITAL PROJECT BUDGETING POLICY

I. Purpose

This policy is intended to define purposed, parameters and total expected cost of capital projects undertaken by the college. This is intended to assure that the policy makers, students, faculty, staff and funding bodies have sufficient information to ascertain the financial impact and viability of any proposed capital project.

II. Scope

This policy applies to all proposed capital projects exceeding \$500,000.

III. General

- A. Definitions: a capital project shall be any project over \$500,000 undertaken to build, renovate, or expand any college facility or to acquire new real property for current or future use. The definition of capital project shall also include the acquisition or development of any new system, including technology, telecommunications or other similar personal property on behalf of the college, or major upgrades or modifications to same.
- B. In case of question as to whether any project shall be governed by this policy, the external auditor shall be asked in writing if such a project would or should be considered as a capital project for accounting and reporting purposes.
- C. Budget information to be included with proposal for a capital project:
 - 1. Detail of proposed expenditures for design, construction, equipment, etc.,
 - 2. professional services expected to be utilized in support of the project,
 - 3. contingencies,
 - 4. internal staff time and resources which are expected to be required for the project,
 - 5. proposed operating budget, such as added insurance, utilities, staffing, etc., when the project is completed.

IV. Responsibility

The College's President and the Chief Financial Officer, and the proposing Division Director and Dean are jointly and severally responsible for the oversight of this policy.

Adopted: May 15, 2006, Amended June 15, 2009