	Administrative Services Division	SOP #	
		Revision #	2
		Implementation Date	
Page #	1 of 3	Last Reviewed/Update Date:	12-22-2021
SOP Owner:	Executive Director of Administrative Services	Approval:	CHM
Supports College Policy: <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	Policy Name: 5.000 Capital Projects	Next Review Date:	
Supports HLC Criterion: <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	Criterion:		

Standard Operating Procedure

1. Purpose

This procedure is to implement the Board of Trustee's Capital Projects Policy by defining the roles of the Divisions with Capital Projects responsibilities.

2. Scope


The scope of this policy is to outline the roles and responsibilities of the Administrative Services, Financial Services, and the Information Technology Divisions.

3. Prerequisites

- All projects should have a clear nexus to Lansing Community College's Mission demonstrated through data driven evidence whenever possible.
- Administrative Services will evaluate projects for alignment with the College's Five Year Capital Outlay Plan.
- Projects being considered for submittal as a Capital Outlay Project Request must first address the 13-evaluation creation set forth by the State of Michigan.
- Feasibility studies, which may include Architectural and Engineering services and/or other specialty consulting services, will be conducted on selected projects.

4. Responsibilities

- Administrative Services is responsible for leading the development of projects for presentation to the Board and the overall design and purpose of the projects.
- Financial Services is responsible to provide guidance and consultation on appropriate accounting, financing, and budgeting.
- Information Technology is responsible for assessing and providing information necessary to determine the cost and extent of needed information technology services/equipment.

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5. Procedure

- Administrative Services identifies projects to move forward based on the direction or approval of the President or the Executive Vice President.
- Administrative Services determines if multiple projects should be group and presented as one project due to efficiency and economics. These are individual projects that interrelate or are dependent on one another that, if done individually, result in inefficiency, rework, and result in overall larger cost than if group and done as one comprehensive project.
- The Design phase includes meetings, to detail the needs of the project. Meetings include attendees from Administrative Services and Information Technology Services and/or consultants as it pertains to the project. This information is used to develop the initial project cost estimate.
- Administrative Services and Financial Services meet to discuss budget, funding sources, financing options, and proper accounting treatment for the project.
- Administrative Services completes the Capital Project Request form which includes:
 - Project Title
 - Total Estimated Cost by Category (including 10% contingency allowance)
 - Proposed Funding Source(s)
 - Description of Project
 - If Bundled Project, justification for combining into one unified project
 - Proposed Timeline
 - Including Board Approval, Issuance of RFP, Awarding of bid(s), Construction, Substantial Completion, and Final Close Out.
 - Alternatives Explored
 - Proposed Board Cover Sheet attached
 - Signatures of Executive Director of Administrative Services, Chief Financial Officer, Chief Information Officer, and Executive Vice President
- Scope changes due to unforeseen circumstances:
 - If the change in the project will be greater than the 10% contingency:
 - Notify the Board of Trustees upon the event and submit the required information at the next available Board meeting for approval.
 - If the change in the project is less than the 10% contingency amount:
 - Contractors are required to submit a Contingency Fund Use Form for approval by Administrative Services
 - Upon approval of the Contingency Fund Use Form, Administrative Services updates their project budget and tracking information as necessary.

6. References

N/A

Documents: SOP short-form

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7. Definitions

Capital Projects are single projects or combined unified project that their estimated overall cost exceeds \$500,000

Capitalized Projects are projects that meet the Generally Accepted Accounting Principles related to the purpose and nature of the project. Projects that create new assets or create betterments to existing assets that increase the value and/or useful life of the asset are capitalized and depreciated over the life of the asset. All other projects are consider operating expenses and expensed at the time of project.