APPROVALS AND FUNDING

The Board of Trustees and/or the President/Provost approve all major capital projects. LBRE facilitates the approval process with guidance from university stakeholders and project consultants.

The Provost approves projects of less than $10 million; projects of $10 million or greater and all new buildings must also be approved by the Board of Trustees’ Land and Buildings Committee. The Stanford University Cabinet, which is comprised of the deans of the academic schools and the administrative leaders of nonacademic departments, reviews BoT-level capital projects. Prior to BoT acceptance, other committees and individuals may review the proposed project; a detailed list of required approvals is contained in each phase of the PDP.

The Project Heartbeat diagram represents DPM’s process for identifying standard process controls in order to manage projects to desired outcomes. Each control point allows the project manager to measure risks and constraints, and provides the discipline necessary to make informed decisions regarding scope, schedule, sustainability goals, and budget, before proceeding to the next phase.

The Heartbeat diagrams below for three types of capital projects show the approval levels and authorized spending at each phase, stated as a percentage of estimated project cost. For example, when the BoT grants Design Approval, the project is funded to 20% of the presented budget. No more than this amount may be spent, or committed, without subsequent approval. The school or department must identify all the funds as a prerequisite for inclusion on the board agenda and transfer to the capital account upon approval. This funding must be identified and documented in an approved Funding Plan or Funding Agreement as part of the BoT submission materials.

Project timelines can vary based on project complexity, size, and risk. For scheduling purposes, it is important to note that the BoT meets only five times each calendar year (February, April, June, October, December). Materials for a BoT meeting must be submitted at least one month prior to the meeting date. If Cabinet approval is also required, materials must be submitted two months prior to the BoT meeting. The Cabinet generally reviews all projects as a precursor to BoT Concept/Site and Design Approval.

All projects start with the submission of a Form 1. The school/department representative submits the Form 1 with the assistance of Capital Planning and Space Management. The Form 1 contains a project description, including the programmatic justification, a description of the problem or opportunity, and budget and schedule constraints. The Form 1 also provides a rough order of magnitude of project cost and identifies associated funding. The approved Form 1 is forwarded to the controller’s office, which assigns a capital account and funds the project as specified.

The Form 1 is the means of approval to move forward until the project is presented for BoT Concept/Site Approval. Projects that do not require BoT approval receive approval and incremental funding by additional Form 1 submittals. No work may begin on a capital project without an approved Form 1.

NEW CONSTRUCTION PROJECT HEARTBEAT

Typically, each project that involves new construction is reviewed and approved by the BoT four times prior to the start of construction, with a final report submitted after completion of construction. At each phase, the project budget, scope, and schedule are reviewed and aligned with previous approvals. The project budget is established early in the process and locked in at Design Approval. If the project team is unsuccessful in staying within the parameters presented to the Board of Trustees at Design Approval, a revised Design Approval is required; this delay will further impact the project and is strongly discouraged.
THE PROJECT DELIVERY PROCESS AT STANFORD | APPROVALS AND FUNDING

RENOVATION PROJECT HEARTBEAT

The BoT reviews renovation projects three times prior to the start of construction, with a final report submitted after completion of construction. Renovation projects that alter the site or major exterior elements must follow the process for new construction. At each phase, the project budget, scope, and schedule are reviewed and aligned with previous approvals. The project budget is established early in the process and locked in at the end of the Schematic Design (SD) phase. If the project team is unsuccessful in staying within the parameters presented to the Board of Trustees at Design Approval, a revised Design Approval is required; this delay will further impact the project and is strongly discouraged.

SMALL PROJECT HEARTBEAT

The President/Provost approves small projects through the Form 1 process. Projects costing less than $10 million follow a process similar to a new construction projects, though some approval phases may be combined. At each phase, the project budget, scope, and schedule are reviewed and aligned with previous approvals. The project budget is typically established early in the process and locked in at the end of the Design Development (DD) phase. Small projects may not proceed to the Construction phase without an approved Form 1 for the total project budget.