1. Authorization Limits

Without regard to the source of funding, before any institution or agency under the governance of the Board begins to make capital improvements, either in the form of alteration and repair to existing facilities or construction of new facilities, it must be authorized based on the limits listed below. Projects requiring executive director or Board approval must include a separate budget line for architects, engineers, or construction managers and engineering services for the project cost.

<table>
<thead>
<tr>
<th>Project Originally Authorized By</th>
<th>Original Project Cost</th>
<th>Cumulative Value of Change(s)</th>
<th>Aggregate Revised Project Cost</th>
<th>Change Authorized By</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Agency</td>
<td>&lt;$500,000</td>
<td>Any</td>
<td>&lt;$500,000</td>
<td>Local Agency</td>
</tr>
<tr>
<td>Local Agency</td>
<td>&lt;$500,000</td>
<td>Any</td>
<td>$500,000-$1,000,000</td>
<td>Executive Director</td>
</tr>
<tr>
<td>Local Agency</td>
<td>&lt;$500,000</td>
<td>Any</td>
<td>&gt;$1,000,000</td>
<td>SBOE</td>
</tr>
<tr>
<td>Executive Director</td>
<td>$500,000-$1,000,000</td>
<td>&lt;= $500,000</td>
<td>&lt;= $1,000,000</td>
<td>Local Agency</td>
</tr>
<tr>
<td>Executive Director</td>
<td>$500,000-$1,000,000</td>
<td>Any</td>
<td>&gt;$1,000,000</td>
<td>SBOE</td>
</tr>
<tr>
<td>SBOE</td>
<td>&gt; $1,000,000</td>
<td>&lt;$500,000</td>
<td>Any</td>
<td>Local Agency</td>
</tr>
<tr>
<td>SBOE</td>
<td>&gt; $1,000,000</td>
<td>$500,000-$1,000,000</td>
<td>Any</td>
<td>Executive Director</td>
</tr>
<tr>
<td>SBOE</td>
<td>&gt; $1,000,000</td>
<td>&gt;$1,000,000</td>
<td>Any</td>
<td>SBOE</td>
</tr>
</tbody>
</table>

2. Major Projects - Capital Construction Plans

a. Institutions and agencies under the governance of the Board wishing to undertake capital construction projects shall submit to the Board for its approval a six-year capital construction plan (the “Plan”). The Plan shall span six fiscal years going forward starting at the fiscal year next. The Plan shall include only capital construction projects for which the total cost is estimated to exceed one million dollars ($1,000,000) without regard to the source of funding (hereinafter, “major projects”). A Plan shall constitute notice to the Board that an institution or agency may bring a request at a later date for Board approval of one or more of the projects included in its approved Plan. Board approval of a Plan shall not constitute approval of a project included in the Plan.

b. Before any institution or agency under the governance of the Board solicits, accepts or commits a gift or grant in support of a specific major project, such project must first be included on the institution’s or agency’s Board-approved six-year Plan.

c. If a major project is not included in a Plan and an institution or agency under the governance of the Board desires to obtain approval of the major project, before seeking approval, it shall first bring an amended plan to the Board for approval at a regularly scheduled meeting of the Board. If a potential donor offers an unsolicited gift to an institution or its affiliated foundation in support of a major project which is not in an institution’s or agency’s Plan, prior to acceptance of the
3. Major Projects Approval Process - Design-Bid-Build Projects

a. Planning and Design
   Board approval is required before any institution or agency begins planning and
design on a major project carried out under the traditional "design-bid-build"
method. For design-bid-build projects, planning and design encompasses the
preparation of architectural and engineering documents and associated budget
and schedule information through the completion of the construction documents
for bidding. This approval may not be requested concurrently with any other step
in the major project approval process. As part of the Board’s approval process for
planning and design, the Board may request the institution or agency to submit a
preliminary project budget and financing plan (including pro forma financials,
debt/operating expenses ratios, pledges, strategic facilities fees, and other
material financial information).

b. Major Project Approval Process – Project Budget and Financing Plan
   Board approval of a project budget and financing plan (including pro forma
financials, debt/operating expenses ratios, pledges, strategic facilities fees, and
other material financial information) is required for a major project. This approval
may be requested only after completion of the design and planning process and
may be requested concurrently with approval for construction.

c. Major Project Approval Process – Construction
   Board approval is required to proceed with the construction of a major project. In
order to obtain Board approval for construction of a major project, the Board must
approve the project budget and financing plan. This approval may be requested
concurrently with approval of the project’s budget and financing plan.

d. Major Project Approval Process – Final Approval – Financing and Incurrence of
   Debt
   Board approval for financing capital projects via the issuance of bonds, or incurrence
of any other indebtedness, is required pursuant to Board policy V.F. for a project that
has previously received approval for construction. (All other projects financed entirely
without indebtedness do not need separate approval for financing.) The Board will not
consider concurrent requests for approval for construction and debt financing for the
same project. Therefore, institutions seeking approval for project debt financing must
4. Design-Build Projects

Although design and build projects are performed by one team, design-build contracts can also allow a series of options to proceed (or not) at the design phase and at the construction phase. The approval process for major projects using a design-build contract shall be the same as the approval process required for a design-bid-build contract. Board approval shall first be required to undertake the design and planning phase, including selection of the design-build team. For purposes of such approval, the Board may request a preliminary project budget and financing plan. This approval may not be obtained concurrently with subsequent required approvals. Once the design-build team completes the design and construction cost estimates, the institution or agency must then obtain Board approval of the project budget and financing plan and of construction of the project. If debt financing is needed, the institution or agency must submit a request for approval at a subsequent meeting of the Board in the manner set forth in paragraph 3.d., above.

5. Fiscal Revisions to Previously Approved Projects

If a project budget increases above the total Board-authorized amount by the lesser of 5% or $500,000, then the institution or agency shall be required to seek further authorization based on the limits established in paragraph 1, above. Regardless of the authorization level required, the institution shall provide the Board with the amount and reason(s) for the cost overruns and the source of funds.

6. Project Acceptance

Projects under the supervision of the Department of Administration are accepted by the Department on behalf of the Board and the state of Idaho. Projects under the supervision of an institution or agency are accepted by the institution or agency and the project architect. Projects under the supervision of the University of Idaho are accepted by the University on behalf of the Board of Regents.

7. Statute and Code Compliance

a. All projects must be in compliance with Section 504 of the Rehabilitation Act of 1973 and must provide access to all persons. All projects must be in compliance with applicable state and local building and life-safety codes and applicable local land-use regulations as provided in Chapter 41, Title 39, and Section 67-6528, Idaho Code.
b. In designing and implementing construction projects, due consideration must be
given to energy conservation and long-term maintenance and operation savings
versus short-term capital costs.

8. Campus Master Plans

Each institution shall develop a seven (7) to fifteen (15) year Campus Master Plan
(CMP). The CMP shall serve as a planning framework to guide the orderly and
strategic growth and physical development of an institution’s campus. The CMP shall
be consistent with and support the institution’s current mission, core themes, and
strategic plan, and six-year capital construction plan. The CMP and substantive
updates thereto must be approved by the Board.