

DATE: May 17, 2018

SUBJECT: Capital Management Severance
Tennessee Tech University

ACTION RECOMMENDED: Approval

BACKGROUND INFORMATION

Pursuant to Tennessee Code Annotated § 49-8-101(a)(2)(C), the FOCUS Act authorizes the Tennessee Higher Education Commission (THEC) to “solicit and receive requests from state university boards to assume the performance” of data systems, capital project planning and management, and procurement. Furthermore, the law requires THEC to approve or deny the requests for independent management of the designated responsibilities, including capital project planning and management. To this end, THEC developed processes and timelines for assessing institutional capacity in collaboration with the locally governed institutions (LGIs), Tennessee Board of Regents (TBR), and state agencies.

SUMMARY

In a memo dated January 3, 2018, THEC provided details regarding expectations and responsibilities for the second round of capital project severance requests. THEC formally requested LGIs interested in severing by July 1, 2018, to notify THEC of their intention by January 19, 2018. THEC received a request to assume responsibilities for capital management from Tennessee Tech University in a letter from President Philip B. Oldham on January 19, 2018.

In order to sever, per the THEC memo January 3, 2018, TTU agreed to

- identify the organizational structure, proficiencies, and areas of responsibilities of the facilities management group;
- provide flow charts that detail how key processes are carried out by the institution;
- identify a person to serve as the single source of information related to capital project management for the university;
- demonstrate how the university’s facilities website will provide capital project related documents and information;
- confirm their intent to adopt a standardized Designers’ Manual revised for use by the LGI’s;
- describe process and annual timeline for regular review and updating their database of all University space and facility conditions (PFIS or Physical Facility Inventory and Survey);

- outline the university's plan for access to architects, engineers, and specialty consultants; and
- confirm plans to utilize existing project information tracking software, or implement an independent data management software to track all elements of capital management.

Materials meeting these requirements are attached. (Attachment A)

Additionally, per the memorandum, TTU agreed to train personnel, in collaboration with THEC, TBR, and the Office of the State Architect (OSA), on performance of all project management duties, as well as to learn and adhere to State Building Commission (SBC) and OSA policies. TTU personnel attended monthly training beginning November, 2017. The training was convened by THEC, and included seminars by OSA, TBR, THEC, and the Department of Finance & Administration. Finally, representatives from TTU attended and participated in SBC preparatory, staff, and monthly meetings.

Though TTU provided items required for severance, and participated in training sessions, TBR will continue to manage TTU's capital projects approved by the SBC prior to June, 2018. All new TTU capital projects presented to the OSA and SBC following severance approvals by THEC and the SBC, will be fully managed by TTU.

Further, capital management responsibilities require changes to SBC policies to recognize institutional contract signatories. The OSA plans to recommend appropriate changes should the Commission approve capital severance and attain proper signatory information from TTU. Therefore, TTU will be able to manage new projects after the SBC approves changes to SBC policy.

Finally, THEC will continue to support TTU during the severance transition process with ongoing training and user group resources, software and IT support for capital project information tracking, and support for long range planning initiatives.

RECOMMENDATION

Action for Capital Severance for Tennessee Tech University

Pursuant to Tennessee Code Annotated § 49-8-101(a)(2)(C), THEC staff recommend that the Commission **approve** the request of the Board of Trustees of **Tennessee Tech University** (as indicated by **President Philip B. Oldham** in a letter dated January 19, 2018) to assume the performance of the **capital project management** function for the university, effective on or after the planned date of the SBC policy revision (June 14, 2018). The Board of Regents will continue to have capital project management responsibilities for TTU's existing capital projects that were originally approved by the SBC prior to the SBC severance date.

Attachment A

Capital Management Severance Requirements

Tennessee Tech University

Organizational Structure of the Facilities Management Group

See attached.

Person to Serve as Source of Information Related to Capital Project Management

Jim Cobb

Capital Projects Director

Capital Projects and Planning

Phone: 931-372-3524 email: JimCobb@tnitech.edu

University's Facilities Website that Details the Following:

- Capital Budget Information
- Designer's Manual
- Project Tracking Information
- Project Designer Solicitation
- Project Bid List for Contractors
- Lease RFIs and RFPs

<https://www3.tnitech.edu/display/FPT/Capital+Projects+and+Planning>

TTU incorporated all the information above onto their existing website, and the site is ready for full implementation post-severance.

University's Plan for Access to Architects, Engineers, and Specialty Consultants

TTU's proposed consultant services contracts under consideration include:

- Architectural/Code review
- MEP
- Civil
- Structural
- ADA
- Environmental
- Building Envelope

Project Management and Facilities Software

TTU will continue to use the same system that TBR utilizes for project information tracking (PITS) and the Physical Facilities Inventory and Survey (PFIS).



ORGANIZATIONAL CHART

TTU CAPITAL PROJECTS ADMINISTRATION

