7 Planning

The Planning Phase matures project scope and design up to conceptual design. It includes the Project Request approval, the primary and budget-setting project approval. Depending on project size and delivery strategy, it may include procurement of designers, contractors, and other vendors.

7.1 Initial Client Meeting

The PM meets with the Client to get a better understanding of the project scope. Together, they facilitate development of an initial cost and schedule estimate to further determine if the estimated cost of the project is within the Client's budget. The PM then drafts a response to the project request, which includes a breakdown of the estimate, and sends it to the Client.

7.2 Assemble Project Team

Once the Project Request is approved, and a PM has met with the client; the PM assembles a project team. The project team may include:

— Client

— Senior Project Manager

— Project Manager

— Assistant Project Manager

— Architect/Engineer Consultant

— IT Representative

— Procurement Representative

— FMO Representative

The PM should document the project-specific roles and responsibilities changes in the Project Responsibility matrix.

7.3 Kick-off Meeting and Design Assessment

The PM schedules a Kick-off Meeting with the project team. The purpose of the meeting is define Client expectations and assess the scope of work. The Design Assessment Checklist (Appendix 7.3) provides a guideline for assessing if the full scope of work is covered.

7.4 Project Budget

The project budget is the assignable direct and indirect costs attributable to a project including professional services, construction, equipment and furnishings, and administrative costs, including fees paid to the system office for central planning and oversight activities that when added together equal the "total project cost (TPC)".

The PM shall prepare a Project Budget (Appendix 7.4a) to accompany the following Project Approval requests[5]:

— Project Agreement

— Preliminary Administration Approval

— Formal Project Approval

— Schematic Design Approval

— Project Change Approval

The PM can refer to the Preparation of Project Budget Guideline (Appendix 7.4b) to develop the project budget.

7.5   Project Agreement (PA)

The following is a UAA specific requirement. All projects $50k to $250k require the Project Manager to complete the PA Form (found online under statewide forms). Projects exceeding $250k require the PA to be completed and submitted as a part of the FPA following the PAA.

Project threshold[5]	Project agreement required?	Approval required
Projects < $50k	No	n/a
$50k < Project <= $250k	Yes	UAA Vice Chancellor Admin. Services
Project > $250k	Yes	As an attachment to FPA

7.6   Preliminary Administration Approval (PAA)

On projects exceeding $250k the PAA is the first approval document completed and is an authorization to plan a project and to develop a PA (found online under statewide forms) documenting the programmatic need, scope and estimated cost of the project. The Project Manager is responsible to complete the PAA Cover Memo (found online under statewide forms) and the PAA Form (found online under statewide forms) for approval. The table below displays the project approval thresholds and authorizations:

Project threshold[5]	Preliminary administration required?	Approval required
Projects < $250k	No	n/a
$250k < Project <= $2M	Yes	System Office Chief Finance Officer (Delegated to the UAA Vice Chancellor Admin. Services)
Project > $2M	Yes	UA President

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[5] Refer to the **12/12/2014** Regent's Policy – Chapter 05.12 – Capital Planning and Facilities Management https://www.alaska.edu/bor/policy/05-12.pdf

7.7   Formal Project Agreement (FPA)

The Formal Project Approval (FPA) Form (found online under statewide forms) is accompanied by the PA represents a formal agreement between the affected program department(s), documenting a common understanding of the programmatic need, project scope, and other matters related to the project. The approvals required are an authorization to develop the basic design of the facility or project through creation of a schematic design. The table below displays the project approval thresholds and authorizations:

Project threshold[5]	Project agreement required?	Approval required
Projects < $50k	No	n/a
$250k < Project <= $2M	Yes	System Office Chief Finance Officer (Delegated to the UAA Vice Chancellor Admin. Services)
$2M < Project <= $5M	Yes	FLMC (Board Committee)
Project > $5M	Yes	Board of Regents (Full Board)

7.8   Conceptual Phase

The initial phase in the formal designing of a project, when the project program is converted to a realistic and visual state. The PM should leverage FP&C design standards and specifications where available.

For Large Projects, the PM may procure a designer to assist with development of conceptual design.

7.9   Schematic Phase (SD)

The schematic phase is initiated with the Schematic Design. The preparation of schematic design studies consisting of drawings, and other documents illustrating the scale and relationships of the project components for approval by the owner.

Requests for schematic design approval shall include a narrative description of the project, a project budget, identification of the funding plan for construction and operations costs, statements affirming compliance with this policy, campus master plan and the project agreement and applicable design guidelines; drawings and cost estimates in sufficient detail to enable the approval authority to review site development, functional relationship of the interior areas, exterior design of the facility, principle building systems and materials used for construction, energy management, expected space utilization, and design efficiency rate.

Schematic design approval represents approval of the location of the facility; its relationship to other facilities; the functional relationship of interior areas; the basic design including construction materials, mechanical, electrical, technology infrastructure and telecommunications systems; and any changes to the project since formal project approval. The board or committee will not grant schematic design approval for a capital project unless it implements or amends the adopted campus master plan.

Project threshold	Schematic design approval required?	Approval required
Projects < $250k	No	n/a
$250k < Project <= $2M	Yes	System Office Chief Finance Officer (Delegated to the UAA Vice Chancellor Admin. Services)
$2M < Project <= $5M	Yes	FLMC (Board Committee)
Project > $5M	Yes	Board of Regents (Full Board)

7.10   Value Engineering

For all projects, if at any point in time, the estimated cost of the project exceeds the most recent approved budget by more than 5%, a value engineering meeting(s) is help with the project team, including impacted stakeholders, to determine an approach to reduce costs.

For Large Projects, value engineering occurs throughout design and on all projects.

Potential value engineering opportunities for value creation and/or savings are tracked and approved through Value Engineering Log (Appendix 7.9).

7.11   Project Change Approval

A project change approval is the authorization to modify the project budget or scope after schematic design approval.

Approval of project change(s) is required for projects which exceed the authority level delegated to the universities or cause a project to exceed that level. Approval levels required for material changes in the source of funds, increases in budget, or material changes in project scope identified subsequent to schematic design approval shall be determined by the system office chief facilities officer based on the extent of the change and other relevant circumstances. This determination will generally be based on the nature of the funding source, the amount, and the budgetary or equivalent scope impact relative to the approved budget at the schematic design approval stage, and assigned as follows:

Project threshold	Schematic design approval required?	Approval required
25% of the total project cost	Yes	FLMC
$2.5M	Yes	FLMC
Total project cost greater than $0.5 million but less than 25% of total project cost or less than $2.5M	Yes	System office chief finance officer.