



VCU

Board of Visitors

FACILITIES, REAL ESTATE AND ADMINISTRATION COMMITTEE

April 23, 2026

The Honorable Benjamin Lambert III Board Room

1213 East Clay Street

Richmond, VA

MEETING MINUTES

COMMITTEE MEMBERS PRESENT

Mr. Randy Reynolds, Jr., *Chair*

Mr. Neil Amin, *Vice Chair*

Dr. Kenneth Lipstock

Mr. Harry Thalhimier - *arrived at 11:30 a.m.*

Ms. Ellen Fitzsimmons, *Rector*

Mr. Steve DeLuca, *Vice Rector*

COMMITTEE MEMBERS ABSENT

Ms. Rooz Dadabhoy

Mr. P2 Sandhu

OTHER BOARD MEMBERS PRESENT

Dr. Dale Jones

OTHERS PRESENT

Dr. Michael Rao, *President*

Dr. Meredith Weiss, *Senior Vice President for Finance and Administration and CFO*

Mr. Alex Henson, *Chief Information Officer*

Mr. Stephen Davenport, *Assistant Vice President for Social & Economic Development, Division of Community Engagement*

Ms. Jessica Bryant, *Senior Director, Strategic Initiatives, VCU Finance and Administration*

Ms. Stephanie Hamlett, *University Counsel*

VCU Finance and Administration leadership team

VCU Presidential Cabinet

CALL TO ORDER

Mr. Randy Reynolds, Jr., chair of the Facilities, Real Estate and Administration Committee, called the meeting to order at 10:50 a.m.

The public was able to view the open session of the meeting via livestream, and the recording can be found here: <https://vcu.mediaspace.kaltura.com/channel/Board+of+Visitors/256000903>.

OPEN SESSION ACTION ITEMS

Mr. Reynolds began by sharing that the minutes for the February 26, 2026 meeting were provided to the committee in advance for review. Hearing no comments or changes, Mr. Reynolds asked Dr. Meredith Weiss to present the other action items.

Dr. Weiss presented the first action item, an amendment to VCU's Higher Education Capital Outlay (HECO) Manual, and then introduced Mr. Stephen Davenport, assistant vice president for social & economic development in the Division of Community Engagement, to give an overview of the East Marshall Street Well Project. Mr. Davenport shared with the board the origins of the well, how it was rediscovered in 1994 and the events that led to the broader public awareness of the well in 2011. He went on to discuss the VCU initiated project, the community engagement and recommendations developed through the work of the East Marshall Street Well Planning Committee and Family Representative Council. Dr. Weiss then presented an action item for initiating the East Marshall Street Well Project Memorial Burial Interment and shared project plans. Her final action item was for the new Grace Street Underground Power Distribution Project.

On a motion duly made and seconded, the committee approved the February 26, 2026 meeting minutes and the recommendation to the full board to approve 1) an amendment to VCU's Higher Education Capital Outlay (HECO) Manual 2) an amendment to the 2026-2032 Six-Year Capital Plan and authorization to initiate a capital project, and approval of project plans for the East Marshall Street Well Project Memorial Burial Interment, and 3) an amendment to the 2026-2032 Six-Year Capital Plan and authorization to initiate a capital project for Grace Street Underground Power Distribution Project.

The February meeting minutes are posted at <https://bov.vcu.edu/meetings/minutes/>. A copy of the other action items are attached hereto as *Attachment A* and is made a part hereof.

REPORT FROM THE SENIOR VICE PRESIDENT

Mr. Reynolds asked Dr. Weiss to give her report. She provided a Building and Grounds Report which included an update on VCU owned land in the City of Richmond, capital strategy for handling deferred maintenance needs and data related to VCU's grounds. Dr. Weiss also shared an update for the One VCU Sustainability Plan highlighting numerous sustainability efforts over

the past year across the university and health system in the administrative, research and academic enterprises. Dr. Weiss then introduced Mr. Alex Henson, Chief Information Officer, who delivered an update from VCU Technology Services, focused on student engagement, the student digital experience and their role in training the IT workforce of tomorrow.

A copy of the presentations are attached hereto as *Attachment B* and is made a part hereof.

REPORTS FOR INFORMATIONAL PURPOSES

Mr. Reynolds noted that there was one report for informational purposes, specifically, the capital projects update, which provides planning and construction updates for VCU's major capital projects and outlines the capital project process.

A copy of the capital projects update is attached hereto as *Attachment C* and is made a part hereof.

ADJOURNMENT

Mr. Reynolds asked the committee if there was any other business, and hearing none, adjourned the meeting at 11:54 a.m.

Action items

Approval of February 26, 2026 meeting minutes

Amendment approval

Higher Education Construction Outlay (HECO) Manual

Background

VCU seeks BOV authorization to amend its Higher Education Capital Outlay Manual (HECO Manual) to align with changes in state law (Chapter 505 of the Acts of the General Assembly 2022) pertaining to increases in fee limits for architect/engineer (A/E) term contracts. This amendment would allow up to \$10M per contract term with no one project exceeding \$2.5M; VCU's current HECO Manual limits A/E term contracts to \$1M per contract term. This amendment would also apply to contract renewals for existing term contracts.

VCU's HECO Manual establishes policies and procedures for capital outlay in accordance with state laws. It was created per a directive under the Management Agreement between VCU and the Commonwealth of Virginia and in accordance with its authority under the Restructured Higher Education Financial and Administrative Operations Act of 2005 (i.e., the "Restructuring Act").

Considerations

Per the Management Agreement, VCU's HECO Manual may be amended and presented to the BOV for review and approval.

Recommendation

Approve the amendment to the VCU HECO Manual to reflect the changes in state law pertaining to increases in fee limits for A/E term contracts.



East Marshall Street Well Project

emsw.vcu.edu



Amendment to the 2026-2032 Six-Year Capital Plan, authorization to initiate a capital project, and approval of project plans

East Marshall Street Well Project Memorial Burial Interment

Background

VCU seeks BOV approval for an amendment to the 2026-2032 Six-Year Capital Plan, authorization to initiate a capital project, and approval of project plans for the East Marshall Street Well Project Memorial Burial Interment, which will cover approximately 2,700 square feet at the south end of the plaza between the Kontos Medical Sciences Building and the Egyptian Building on VCU's University Medical Center Campus. The East Marshall Street Well Project addresses the discovery of human remains and artifacts from the 19th century that were found in an abandoned well on VCU's University Medical Center Campus in 1994 while preparing for the construction of the Kontos building. The well's contents are believed to have been discarded in the 1800s by medical staff. Following their discovery, the ancestral remains were taken to the Smithsonian Institution where they stayed until November 2019 when they were returned to Richmond and the care of the Department of Historic Resources. The construction of the memorial marks the culmination of a process with the community that provides the remains with appropriate study, memorialization and reburial.

Considerations

Projects expected to exceed \$3M require BOV approval to be added to the Six-Year Capital Plan and authorized for project initiation.

Costs and funding

Construction is estimated to cost \$3.6M and will be funded by MCV Foundation support, VCU non-Education & General funds and VCU Health System funds.

Recommendation

Approve an amendment to the 2026-2032 Six-Year Capital Plan, authorize initiation of a capital project at an estimated cost of \$3.6M, and approve the project plans for the East Marshall Street Well Project Memorial Burial Interment.



emsw.vcu.edu

**East Marshall
Street Well
Project**

emsw.vcu.edu



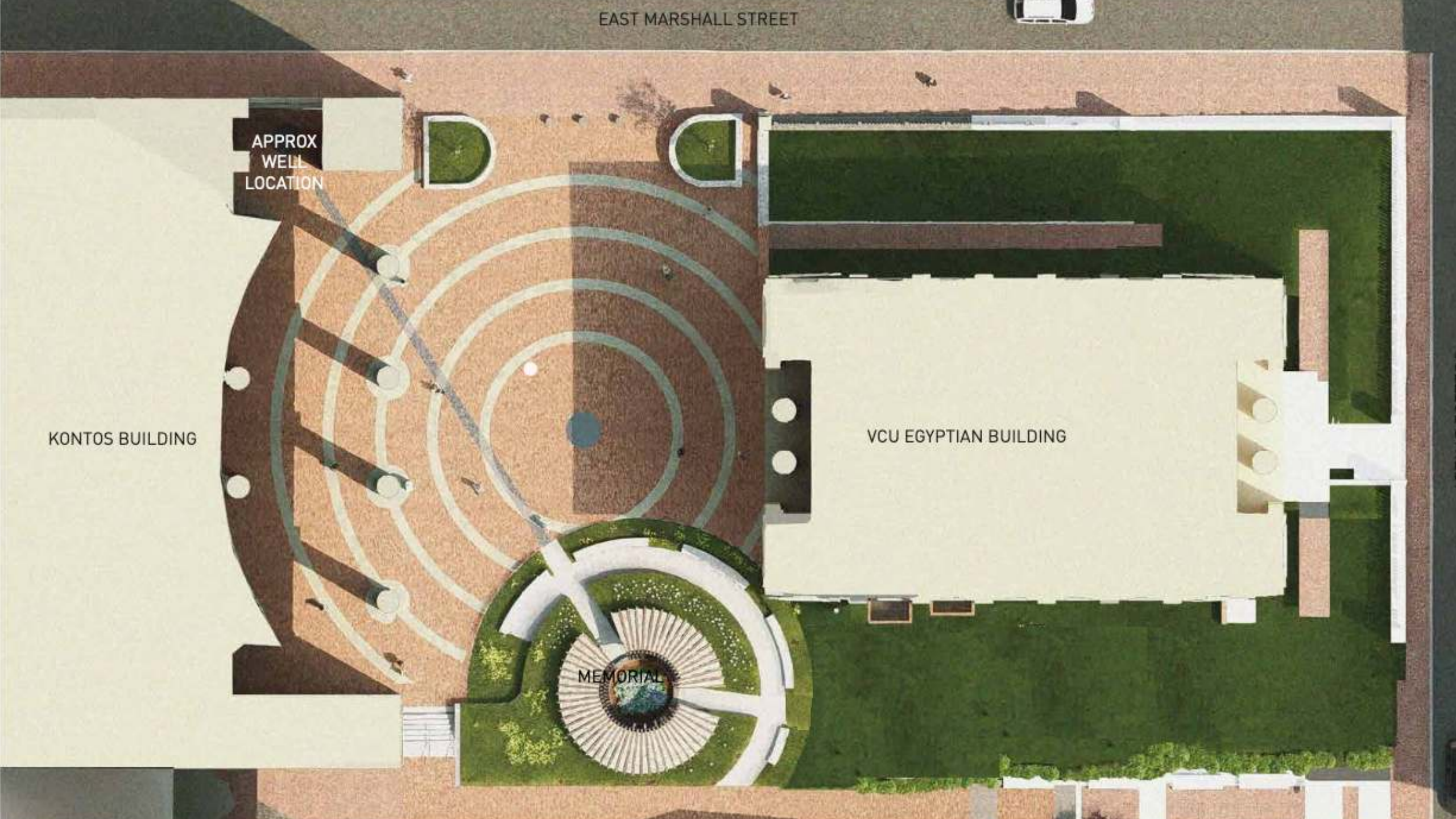
EAST MARSHALL STREET

APPROX
WELL
LOCATION

KONTOS BUILDING

VCU EGYPTIAN BUILDING

MEMORIAL





Amendment to the 2026-2032 Six-Year Capital Plan and authorization to initiate a capital project

Underground power distribution replacement

Background

VCU seeks BOV approval for an amendment to the 2026-2032 Six-Year Capital Plan and authorization to initiate a capital project to replace the underground power distribution system on N. Belvidere Street, W. Grace Street, N. Pine Street and the adjacent alley. The need and timeline for this project is being driven by VCU's development along W. Grace, N. Belvidere and W. Broad Streets. This transition is necessary to power existing and future development and would provide power to the following VCU buildings: Facilities Administration Building, Institute for Contemporary Art at The Markel Center, Technology Operations Center, and West Grace Street Housing Project (under construction). Construction is expected to begin in May 2026 and be complete by fall 2026.

Considerations

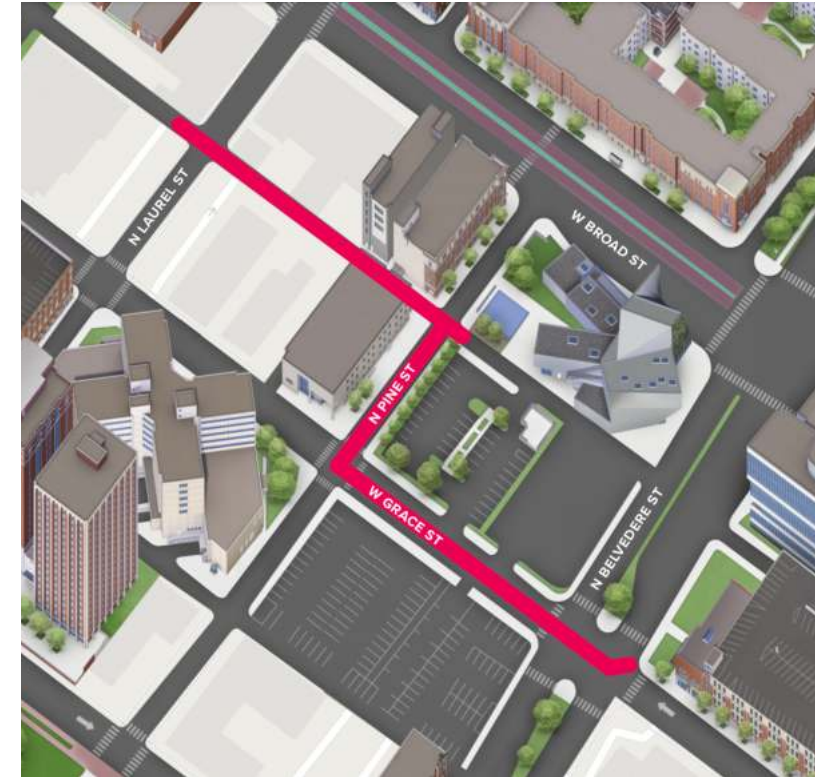
Projects expected to exceed \$3M require BOV approval to be added to the Six-Year Capital Plan and authorized for project initiation.

Costs and funding

The project is estimated to cost approximately \$4M and will be funded by university and auxiliary funds.

Recommendation

Approve an amendment to the 2026-2032 Six-Year Capital Plan and authorize initiation of a capital project at an estimated cost of \$4M for the underground power distribution replacement.

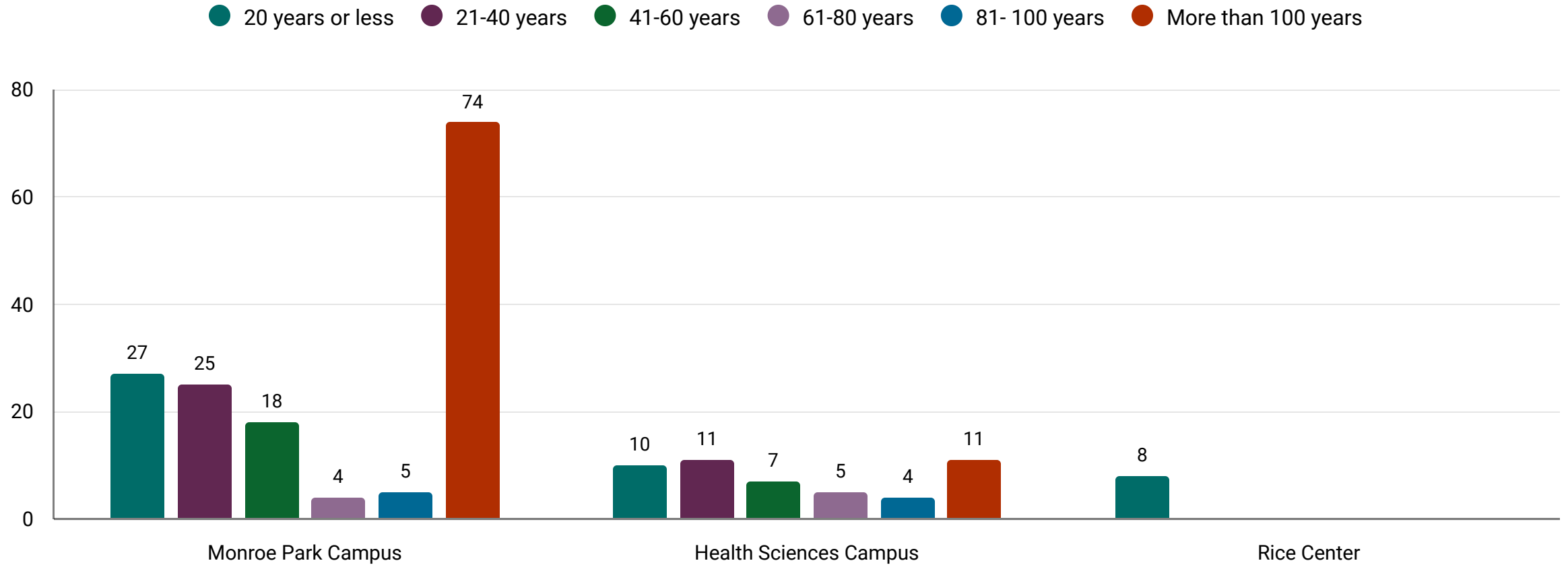


Report from the senior vice president

Buildings and grounds report

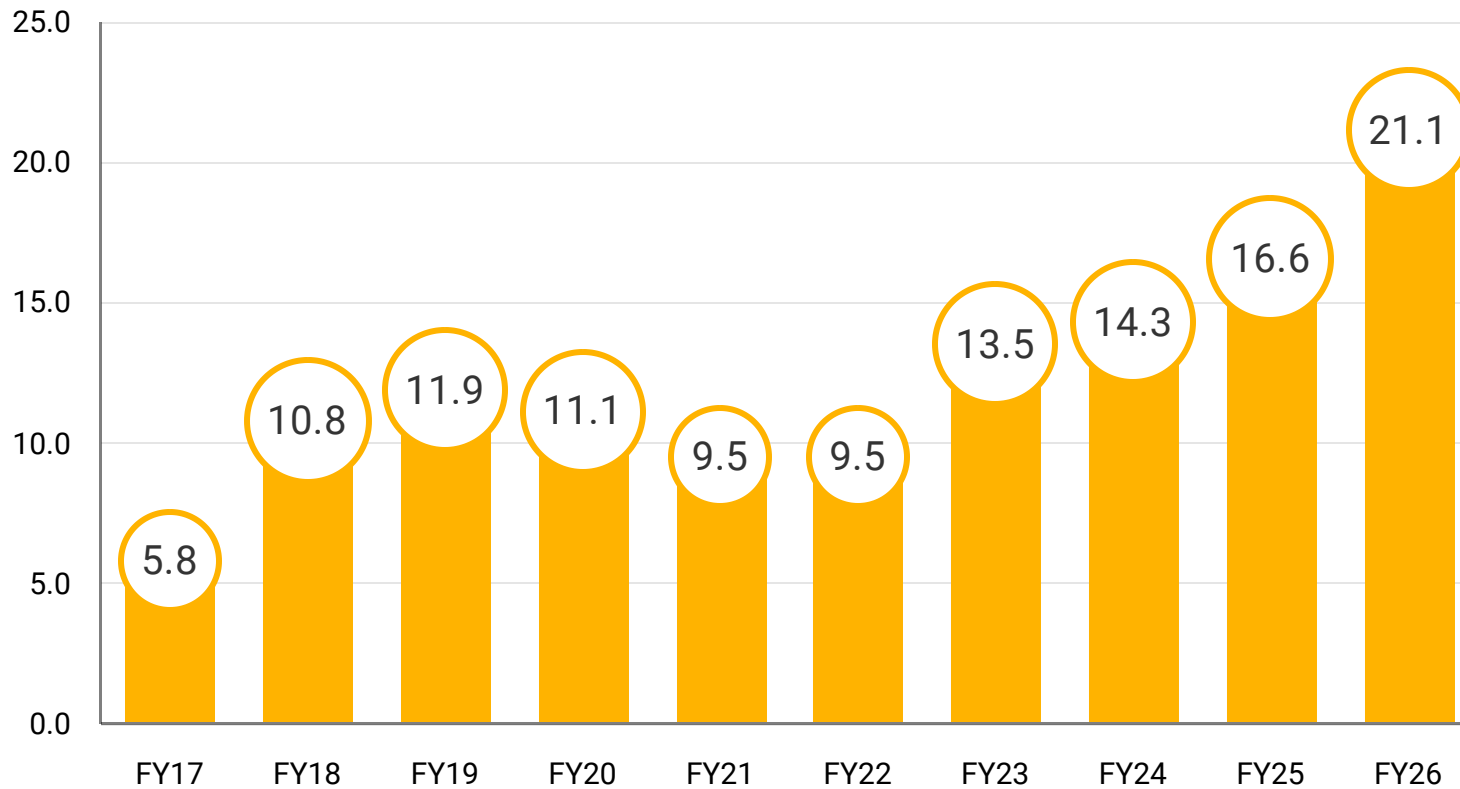
Building age

VCU has a significant number of buildings over 100 years old



Maintenance reserve funding

(in millions)



\$37M annual need

Based on 2017 Sightlines study
Next study late 2026

57%

of total need
funded by state

Capital strategy

\$523.9M estimated capital needs 2017-2027*



New construction



Renovation



Demolition



Optimization/efficiency



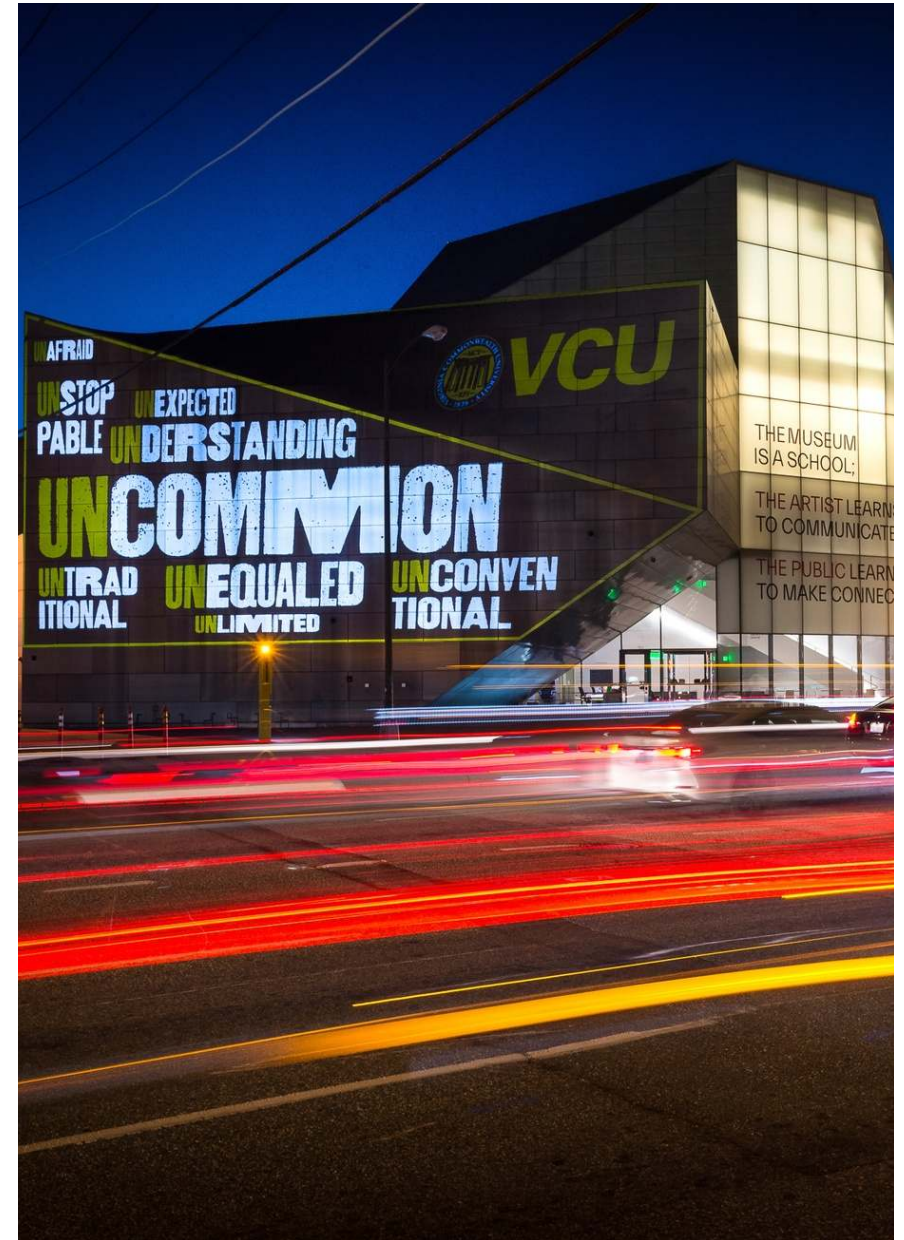
Acquisition/disposition

*Based on 2017 Sightlines study; new Gordian (formerly Sightlines) in progress and will be completed in late 2026

Our grounds



Discussion



oneVCU | SUSTAINABILITY PLAN



ONE VCU Sustainability Plan goals

Aligned with Quest 2028



Ourselves

Embed sustainability in the One VCU culture



Our community

Enhance student, patient, workforce and community health and well-being by restoring the natural environment and minimizing VCU's environmental impact



Our world

Inspire sustainability innovation in research, education and healthcare to advance environmental health, human health, health equity and economic vitality

Technology Services update

Who we are



9
UNIQUE AREAS OF
EXPERTISE



209
FULL-TIME STAFF
MEMBERS AND
80+ STUDENT
INTERNS

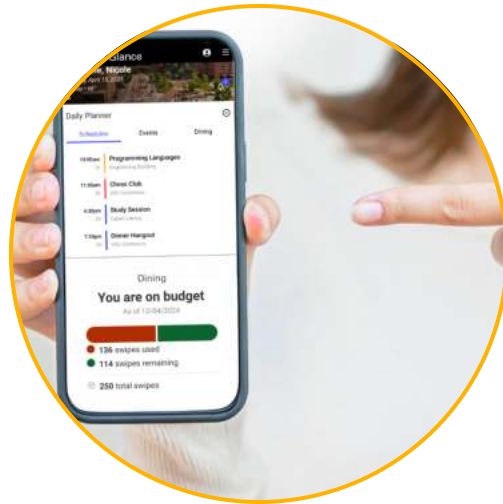


140
APPLICATIONS,
SYSTEMS &
SERVICES FOR
VCU AND VCU
HEALTH

Empowering the digital student experience



Mobile ID



VCU Mobile



Career Works



Course Program of Study (CPoS)

Student engagement



Student Technology
Advisory Committee



Access to Tech
initiative



Partnerships with
student organizations



Student engagement
internships

Training the IT workforce of tomorrow

Student employment pipeline



Advice?
Questions?

Appendix



Land, buildings and parking

Does not include VCU Health

	Monroe Park Campus	Health Sciences Campus	Athletic Village	Rice Center
Acres of land	98.42	21.0	47.98	350
No. buildings	153	48	--	8
Gross square feet	7.5M	4.7M	--	27K
Parking spaces	5,450 (8 decks, 22 lots)	4,813 (3 decks, 8 lots)	--	--



Leased space and parking

Does not include VCU Health

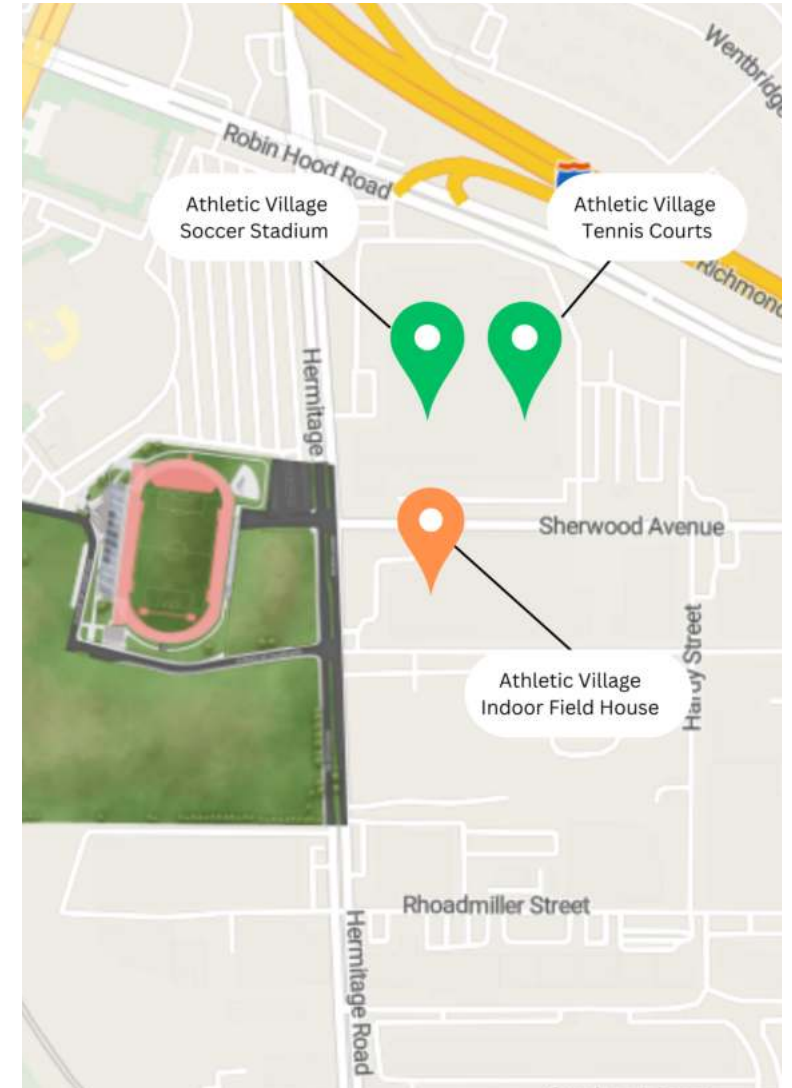
	Monroe Park Campus	University Medical Center Campus	Off-site
Gross square feet	632K	274K	41K
Parking spaces	342	570	0



Monroe Park Campus



University Medical Center Campus



Athletic Village

Board of Visitors
April 23, 2026
Major capital projects update

Projects underway

901 West Franklin Street Renovation

Architect/engineer: RRMM Architects
Budget: \$7M
Funding source: Maintenance reserve

Biennium: 2024-2026
Contractor: Woodland Construction
Status: Renovations underway; estimated completion by late 2026

Description:

Located at the corner of Franklin and Shafer streets, the building originally served as a home between 1882 and 1892, and since being purchased by VCU, has been used for office space. The building primarily consists of brownstone and brick masonry exterior walls with a steep-sloped roof made of terracotta roof tiles. Later additions include brick masonry walls as well as mostly low-sloped rubber roofing and partial terracotta roofing.

There have not been any significant restorative efforts performed on this facility in recent history. Normal aging and degradation of building materials are contributing to moisture infiltration issues that need to be addressed. The renovation project includes tuckpointing (i.e., repairing the mortar joints between the bricks of the entire building), replacing the roof, and adding a fall protection system to the roof. Renovations began in October 2025 and are expected to take approximately one year to complete.

Progress:

Exterior remediation is ongoing. Once exterior masonry work is complete, the roof will be replaced and ground water drainage work will begin. All work is expected to be complete by late 2026.

Athletic Village Phase I: Outdoor Track Facilities and Practice Fields

Architect/Engineer: HKS
Budget: \$38M
Funding source: The sale of the Sports Backers Stadium property, private funds and short-term debt

Biennium: 2024-2026
Contractor: Barton Malow
Status: Practice fields and outdoor track/soccer field completed and in use; stadium construction is forthcoming

Description:

This is the first of four phases to be developed for VCU's Athletic Village. This project will replace Sports Backers Stadium, which is located in the Diamond District and is being sold to the City of Richmond as part of its construction of a new baseball stadium. This new Athletic Village facility will hold the events currently being held at Sport Backers Stadium and provide practice fields that will serve VCU athletes.

The new completed practice fields consist of a 400-meter outdoor track, two pole vaults, two long/triple jumps, two high jumps, discus/shotput/hammer circles, an infield NCAA natural turf

(Cambridge) soccer field, and two adjacent NCAA-sized artificial and natural turf (sand-based) practice fields.

The 9,043 square feet outdoor track facility will include outdoor open bleacher seating for 1,000 spectators as well as locker rooms for players and officials with shower and restroom facilities, athletes' training room, storage, concessions and spectator restrooms on the ground level. The press box on the upper bleacher level will consist of a production, broadcast and pressbox rooms, with a media platform to broadcast events.

Progress:

The practice fields and track/soccer fields were completed in January 2026 and are now in use. Construction of the new stadium is forthcoming.

CoStar Center for Arts and Innovation (CCAI)

Architect/engineer: William Rawn Associates

Budget: \$253M

Funding source: \$232.4M will be funded by the state with the remainder funded by university funds, \$18M of which is committed by CoStar Group

Biennium: 2022-2024

Contractor: Hourigan

Status: Under construction;
estimated completion late 2027

Description:

Positioned on the southeast corner of Broad and Belvidere Streets, across from the Institute for Contemporary Art at VCU and steps away from Fortune 500 companies and local startups, the new CCAI will provide a launch pad for critical digital and creative economy initiatives both on campus and in the city. The new CCAI will feature flexible classroom spaces, interdisciplinary performance venues and makerspaces for rapidly growing partnerships across arts, business, humanities and sciences, medicine, and engineering. The new building will optimize VCU's arts innovation programs by bringing many of them together under one roof in a modern facility, replacing old and outdated buildings.

Progress:

Glass facade and interior wall/infrastructure installation as well as utility and internet connections are underway. The project remains on schedule and is expected to be complete by late 2027.

West Grace Street Housing Project

Architect/engineer: Glavé & Holmes Architecture/Ayers

Saint Gross

Budget: TBD

Funding source: Combination of auxiliary funds and debt paid with student housing payments

Biennium: 2024-2026

Contractor: Kjellstrom & Lee, Inc.

Status: Working drawings and early construction underway

Description:

The One VCU Master Plan, approved by the Board of Visitors in 2019, identified the need for additional student housing, a need that has been compounded by the closing of Johnson Hall and increasing undergraduate housing demand. A new residential housing facility will replace the 518 beds in Johnson Hall and provide additional beds to meet increased demand.

The 330,000 square foot student housing facility features approximately 1,000 single and double semi-suite-style beds as well as a ground floor that will feature a secure residential lobby with space for housing operations, faculty offices, resident amenities and conferencing. Additional ground-floor components include a 5,000 square foot dining venue, two 1,500 square

foot retail spaces, and a 6,000 square foot mail center. The crescent-shaped facility is made up of up to 14 floors on the Laurel Street side and eight floors on the Pine Street side. Dedicated back-of-house areas will support essential building operations and services.

Progress:

The design team responded to preliminary comments from the Virginia Department of General Services Division of Engineering and Buildings (DEB) review. VCU continues to work with the architect/engineer and construction manager on value engineering. Working drawings will be submitted to DEB for review and permitting in July 2026.

Demolition and removal of existing structures is underway and utility work is expected to begin in June 2026, pending board approval. The project remains on schedule, with the new facility expected to be complete and ready for students for fall 2028.

Projects in the planning phase

Engineering West Hall Cooling Tower Replacement and Architectural Pyramid Renovation

Architect/engineer: Price Studios, LLC.
Budget: \$4.5M
Funding source: State-appropriated maintenance reserve funds

Biennium: 2024-2026
Contractor: TBD
Status: Bidding

Description:

This project consists of replacing the cooling towers and renovating the iconic architectural pyramid at Engineering West Hall, home to the VCU College of Engineering. The cooling towers have reached the end of their service life and prolonged exposure to water vapor and other environmental factors have led to significant corrosion of the architectural pyramid at the top of the towers.

Progress:

The design is complete and bidding for the general contractor is underway. Renovations are expected to begin in fall 2026.

Hermes A. Kontos Medical Sciences Building Chillers and Equipment Replacement

Architect/engineer: Affiliated Engineers, Inc
Budget: Approximately \$4.5M
Funding source: State-appropriated maintenance reserve funds

Biennium: 2024-2026
Contractor: TBD
Status: Design

Description:

This project consists of replacing two chillers and chilled water system equipment in the Hermes A. Kontos Medical Sciences Building, home to the VCU School of Medicine. The chillers and chilled water system regulate the temperature and humidity for Kontos and the Egyptian Building. The two current primary chillers and chilled water system equipment that will be replaced are original to the building, built in 1996, and have reached the end of their useful life, with one chiller not operational and both chillers requiring significant, costly repairs in recent years.

Progress:

Design is underway and the project is expected to be advertised for construction service bids in summer 2026. Construction is expected to begin by early 2027 and be complete by spring 2027.

Hunton Student Center Renovation

Architect/engineer: Glavé & Holmes Architecture
Budget: Approximately \$4M
Funding source: VCU Health system; pending approval by VCU Health System Board of Directors

Biennium: 2024-2026
Contractor: TBD
Status: Planning

Description:

This project consists of renovating the Hunton Student Center on the University Medical Center Campus to accommodate the temporary relocation of VCU's Health Sciences Library operations. The current Health Sciences site is currently on the site of the proposed VCU Health Inpatient Tower. Pending funding approval from the VCU Health Board of Directors, the renovation to the Hunton Student Center will include creating student study space, maker space, offices and room for circulating collections.

Progress:

Design is expected to begin in spring 2026. Funding for planning has been provided by VCU Health System.

James Branch Cabell Library Fourth Floor Special Collections and Archives Expansion

Architect/engineer: Glavé & Holmes Architecture
Budget: Approximately \$14M (estimated at project initiation*)
Funding source: Approximately \$12.1M funded by VCU Health System, pending approval by VCU Health System Board of Directors; \$1.8M funded by Cabell Library

Biennium: 2024-2026
Contractor: TBD
Status: Planning

Description:

This project consists of renovating the fourth floor and adding 18,800 square feet of space to the existing Special Collections and Archives in Cabell Library. The renovation will enable the relocation of the existing Health Sciences Library Special Collections and Archive materials from the University Medical Center Campus to Cabell Library on the Monroe Park Campus, allowing for the decanting of the existing Health Sciences Library to make way for the proposed VCU Health Inpatient Tower.

Progress:

The design phase is underway, which includes designing the fourth floor renovation and planning for the library material relocation from the VCU Health Sciences Library. A specialty library material moving vendor is expected to begin moves in July 2026. The renovation project is expected to be advertised for construction service bids in fall 2026.

Massey Building Shared Lab Renovation

Architect/engineer: SmithGroup
Budget: \$33.9M
Funding source: University, MCV Foundation and Massey funds

Biennium: 2024-2026
Contractor: TBD
Status: Planning

Description:

The renovation will focus on the first and ground floors of the Massey Building. The first floor will be converted from wet labs to a 5,415 assignable square-foot vivarium, expanding vivarium space in the facility, and 1,500 assignable square feet of core labs. The ground floor will be converted from administrative space to 6,245 assignable square feet of wet labs.

Progress:

Planning and schematic design are underway. Construction is expected to begin in late 2026 and be complete by early 2028.

Sadie Heath Cabaniss Hall Window Replacement

Architect/engineer: Glavé & Holmes Architecture
Budget: \$4.5M
Funding source: State-appropriated maintenance reserve funds

Biennium: 2024-2026
Contractor: TBD
Status: Bidding anticipated in spring 2026

Description:

The project will include replacing windows at Sadie Heath Cabaniss Hall, home to the VCU School of Nursing. Water infiltration around windows was reported throughout the facility which upon inspection, revealed the need for the full replacement of windows. The scope of the project includes removing the windows, repairing the flashing and installing new windows.

Progress:

The design is complete and the project is expected to be advertised for construction service bids in spring 2026.

VCU Catering and Event Space

Architect/engineer: Hanbury
Budget: \$8.5M
Funding source: VCU Dining Services auxiliary funds

Biennium: 2024-2026
Contractor: TBD
Status: Design

Description:

The renovation will include 17,740 square feet of food service space in the Cary & Belvidere Residential College that will serve as VCU Catering and event space. Formerly the location of a Chili's restaurant, Starbucks and AVO Kitchen, the space will be converted into a new home for VCU Catering and feature a catering kitchen with attached event and conference spaces.

VCU Catering has outgrown its existing catering and event space in Shafer Court Dining Center, known as the Compass Room. Moving VCU Catering to a larger, dedicated facility will improve efficiency, enhance service capabilities and allow for better support of campus events. Additionally, the relocation of VCU Catering from Shafer Court Dining Center to this new facility aligns with the VCU Dining Master Plan by freeing up valuable space in Shafer Court Dining Center for expanded student-centered dining options.

Progress:

Design is underway and is expected to be complete by summer 2026. Construction is expected to begin in fall 2026 and be complete by summer 2027.

VCU School of Dentistry

Architect/engineer: Hanbury/Kahler Slater
Budget: \$415M (estimated at project initiation)
Funding source: Seeking state funding

Biennium: 2024-2026
Contractor: Barton Malow
Status: Planning

Description:

The VCU School of Dentistry is the Commonwealth of Virginia's only dental school and the only dental facility in the state for multidisciplinary care that includes oral surgery, periodontology, oral pain, oral cancer and other specialty clinics. The current School of Dentistry buildings are beyond their useful life, with more than \$75M in deferred maintenance needs. Additionally, they do not meet current educational or patient care needs and present accessibility challenges.

The proposed new School of Dentistry will provide state-of-the-art education, equipment and technology serving more than 500 students as well as maximizing care for more than 100,000 patients visits annually from across the Commonwealth, including underserved populations. It brings together general and specialty clinics, multiple cutting-edge academic laboratories, and associated contemporary support spaces — aligning with modern practices in dental education, enhancing patient care, advancing the academic (non-sponsored) research mission, improving faculty and student recruitment, and allowing for increased enrollment.

The facility will be five stories tall with a partial basement and mechanical penthouse, at nearly 314,000 gross square feet. Shared spaces include classroom space, simulation and practice laboratories with manikin stations, academic laboratories, general and specialty practice clinics with operatories, and support spaces. A cafe/coffee shop on the main floor will be open to the university community; four classroom spaces will also be available to the university community for meetings and events.

Progress:

The detailed planning phase is completed and preliminary design has been submitted to the DEB for review. The state authorized detailed planning for this facility.

VCU Capital Project Process

Overview

As a state institution, VCU follows the design philosophy outlined in the Commonwealth's Construction and Professional Services Manual (CPSM), which states that "the design goal is to create a capital investment that meets the user's functional requirements, provides the most economical life cycle cost, and promotes energy efficiency and environmental conservation. The Commonwealth's design philosophy envisions a long and useful life for state buildings. These buildings will often be used for periods exceeding 50 years and, consequently, should be designed for durability, economy of operation and ease of maintenance."

In general, academic facilities are funded by the Commonwealth of Virginia (the state), while auxiliary facilities, such as dining halls, residence halls and student centers, are funded through university fees.

Process

The capital process is outlined below. Gray italicized text provides additional information for each step. Rules, agreements, statutes and policies governing VCU's highly-regulated capital process are also noted.

Master plan

The VCU Board of Visitors (BOV) approved the One VCU Master Plan (March of 2019), which aligns VCU's physical campus site plan with VCU's strategic plan.

Six-Year Capital Plan and funding sources

VCU prioritizes capital projects in the master plan into a Six-Year Capital Plan, which includes preliminary size, cost and fund source estimates for each project for the next six years. This is presented to the Facilities, Real Estate and Administration Committee and approved by the BOV in the spring of every odd year. The BOV approves amendments to add, update or remove capital projects as needed.

- ***State-funded projects:*** VCU works with the Virginia Department of General Services (DGS), Division of Engineering and Buildings (DEB) following a detailed, state-approved template/process (CR-1) to establish high-level estimates for size, scope and cost. Estimates in this template are derived from the DEB cost database and comparable projects throughout the state as well as similar projects identified by the university throughout the country. The governor's office evaluates VCU's projected needs and incorporates recommendations into the Executive Budget for consideration by the General Assembly.
- ***University-funded projects:*** VCU uses the same state-approved planning template/process that is used to plan for state-funded capital projects – the DEB CR-1 template – to establish high-level estimates for size, scope and cost. VCU's chief financial officer requires a business plan that identifies the source of funds (i.e., cash, debt, gifts and/or anticipated revenue streams) as well as the timing of funding availability (i.e., gifts in hand or issuance of debt) and the plan to cover costs in the interim (i.e., covering costs with cash or debt until funds are raised or committed gifts are paid). Any project with a component of debt requires authorization from the BOV no later than 60 days prior to any expenditures.
- ***Public-private partnership projects or other potentially complex projects (e.g., projects that involve historic tax credits):*** VCU brings in external consultants (e.g., financial, legal and development) and Real Estate Foundation advisors to explore and vet options, analyze potential risks and provide recommendations.

Project initiation and applicable contract approvals

The BOV approves the initiation of capital projects, authorizing VCU to advertise and procure design services (and construction services, if applicable, depending on the procurement method) per the

management agreement. If a contract is expected to be more than \$5M (per the signatory authority policy), the BOV authorizes VCU to procure a firm(s) and negotiate contract(s) at a Not to Exceed (NTE) amount. Project initiation approval requests are presented to the Facilities, Real Estate and Administration Committee; contract and funding source approval requests and debt resolutions, if applicable, are presented to the Finance and University Resources Committee.

- **State-funded projects:** This step follows a budget bill that is signed by the governor.
- **University-funded projects:** This step follows an approved business plan.
- **Public-private partnership projects or other potentially complex projects:** This step follows a BOV review of external advisors analyses and recommendations.

At initiation, VCU determines the most appropriate procurement method for the project (per the **VCU Higher Education Capital Outlay Manual (HECO)** Manual and management agreement). Construction Management and Design-Build construction procurement methods are considered “alternative construction procurement methods” (Design-Bid-Build is the state’s default construction procurement method) and require approval from DGS. *Should VCU elect to proceed with the use of an alternative construction procurement method, despite the decision of DGS to the contrary, the BOV has the opportunity to override the decision of DGS and approve the use of this method (this applies to projects \$65M or more); for projects under \$65M, that are funded in whole or in part from state general funds, VCU shall obtain approval from the Chairmen of the House Committee on Appropriations and the Senate Committee on Finance and Appropriations, or their designees, and a representative of DGS. In addition, if the project is funded in whole or in part from state general funds, and an alternative construction procurement method is selected, a representative from DGS, to the extent DGS deems practicable, shall be included in the process for the selection of a contractor.*

- **Construction Manager (CM):** *This is a two-part, competitive procurement process – a proposal request is issued for design services (i.e., the architect/engineer or A/E) and a separate proposal request is issued for construction services. Both the designer and the construction vendor are selected based on qualifications and best value and work together on design, cost, logistics and constructability in order to reach a guaranteed maximum price. For large, complex construction projects, the CM method reduces the risk of added costs or delays. CM is based on the Competitive Negotiations method of contractor selection (Code of Virginia § 2.2-4302.2) and requires approval from the DGS.*
- **Design-Build (DB):** *This is a competitive procurement process where a single vendor is selected based on qualifications and best value. Under this method, the vendor provides both design and construction services. This method is best suited for low-complexity projects such as warehouses or parking decks. DB is based on the Competitive Negotiations method of contractor selection (Code of Virginia § 2.2-4302.2) and requires approval from DGS.*
- **Design-Bid-Build (DBB):** *Following a competitive bidding process, a designer is selected based on qualifications and value. Later in the process, construction vendors are solicited through a competitive bidding process and a contract is awarded to the lowest-cost responsive and responsible bidder. The designer and the construction vendor work separately. DBB is based on the Competitive Sealed Bidding method of contractor selection (Code of Virginia § 2.2-4302.1).*
- **Public-private partnership projects or other potentially complex projects:** External advisors (e.g., financial, legal or development) assist with determining the procurement method, contract review and negotiation.

Project plans and applicable contract approvals

The BOV reviews and approves project plans and amendments to the Six-Year Capital Plan and authorizes VCU to negotiate and execute a NTE contract for construction. Project plans and Six-Year Capital Plan amendments are presented to the Facilities, Real Estate and Administration Committee for approval; contract and funding source approvals, including any debt resolutions, if applicable, are presented to the Finance and University Resources Committee.

- **State-funded projects:** VCU works alongside DEB on preliminary design plans and cost estimates to arrive at an agreed upon final size, scope and cost as well as compliance with legislative intent in

terms of the purpose and use of the facility. All projects must also be approved by applicable regulatory authorities such as the Virginia Art and Architectural Review Board, the Virginia Department of Health, the Virginia Department of Historic Resources, respective municipalities, etc.

- **University-funded projects:** VCU presents the preliminary design plans to the state (DEB). All projects must also be approved by applicable regulatory authorities.
- **Public-private partnership projects or other potentially complex projects:** VCU works with external advisors and partners, following applicable regulations, to develop project plans. All projects must also be approved by applicable regulatory authorities.

Ongoing updates and disbursements

Once project plans are approved and construction begins, the BOV is updated on the progress of capital projects at each board meeting.

- **State-funded projects:** VCU requests disbursement of funds from the state in order to begin construction.
- **University-funded projects:** VCU Treasury Services is apprised of construction progress and ongoing draws on bond proceeds throughout the completion of the project to maintain compliance with the requirements around the use of bond proceeds.
- **Public-private partnership projects:** Disbursement of funds follows contract terms.

Rules, agreements, statutes and policies

- **Rules Governing Procurement of Goods, Services, Insurance and Construction by a Public Institution of Higher Education of the Commonwealth of Virginia (Governing Rules)**
- **VCU Management Agreement (management agreement):** Agreement between the state and the BOV that governs financial and administrative authority
- **Codes of Virginia:**
 - **§ 2.2-1132.C:** Administration of Capital Outlay Construction Projects
 - **§§ 2.2-4300 through 2.2-4377:** Virginia Public Procurement Act (Procurement Act); as a Tier 3 institution, VCU is generally exempt from the Public Procurement Act, as specified in the Governing Rules and the management agreement
 - **§§ 2.2-4378 through 2.2-4383:** Construction Management and Design-Build Contracting consistent with the Governing Rules and the management agreement
 - **§§ 23.1-1000 through 23-1028:** Restructured Higher Education Financial and Administrative Operations Act (The Restructuring Act)
- **VCU HECO:** The HECO manual is based upon the state's CPSM, modified by VCU according to the Restructuring Act and management agreement
- **VCU Delegation of Signatory Authority Policy (Signatory Authority Policy):** Stipulates that agreements/contracts exceeding (or expected to exceed) \$5M require BOV approval