

## CAPITAL PROJECT DEVELOPMENT AND MANAGEMENT

Objective: The purpose of this policy is to ensure an efficient and consistent process for the development, approval, and monitoring of capital projects to aid in both short - and long-term capital planning and financial stability. Policy Number: 06-08

Reference: (All applicable federal, state, and local laws) Tompkins County Administrative Manual Policy 05-02 (Fiscal Policy) and Policy 01-07 (Land Transactions) Effective Date: January 12, 1981

Responsible Department: Purchasing/Facilities

Modified Date (s): October, 09 2009; June 6, 1988

Legislative Policy Statement:

Resolution No.: 09-186

General Information: Next Scheduled Review: July, 2012

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### I. Definitions:

**Capital Plan**—A framework and tool for making capital investment decisions that involve long-term commitments of resources. The Plan extends out to include the full debt service schedule.

**Capital Program**—An easily understood planning and budgeting guide of physical betterments and improvements for the upcoming twenty years, including major construction, equipment, land, or building purchases; and information technology services applications.

**Capital Projects**—Single or multi-year projects that are part of a comprehensive planning process. There are two types of Capital Projects as follows:

1. One-time expenses in excess of \$100,000, regardless of whether they are paid for with borrowed and/or multi-sourced funds (i.e. a combination of local, state, federal, or other), for

Construction of buildings (new buildings or additional space to existing buildings), roads, bridges, or other facilities, or

Upgrading existing buildings, roads, bridges, or other facilities, or

Purchasing new, additional, or upgraded equipment; and information technology services equipment, applications, upgrades, software, and peripherals, or

Purchasing land and/or buildings, or

Planning and design expenses associated with any of the above

2. Expenses paid for with borrowed funds including:

Recurring annual expenditures for maintenance of existing buildings, roads, bridges, equipment, other structures, or lands, or  
Replacement of existing equipment or structures, or  
Projects whose total anticipated costs are less than \$100,000  
Project Approval Request (PAR)—The form to be completed, routed, and approved for all Capital Projects. You can complete the Project Approval Request Form by either: updating the PAR Template form or obtain a copy of the 2009 PAR database by sending a request to njayne@tom-pkins-co.org.

Project Manager—The person assigned the responsibility for developing, overseeing, and managing the Capital Project including:

- Design development
  - Schematic design
  - Bidding
  - Recommending bid awards
  - Financial oversight
  - Managing contractors
  - Maintaining official project records, drawings, approval, contracts, etc.
  - Other administrative and project-specific duties as needed
- Program Manager—The person(s) responsible for the management of the program(s) that will be impacted by, or will receive the value of, the capital project.

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Procedure:

1. No contracts, purchase orders, work authorizations, or payments are to be advanced or approved for a capital project unless this procedure is followed. The County Administrator is authorized to use his discretion to grant exceptions on a case-by-case basis.
2. Prior to, and as far as in advance as possible, the Program Manager must submit an electronic copy of the completed PAR to County Administration. All areas of the PAR form must be completed. Areas that do not apply to the project should be noted with N/A, with an explanation if appropriate.
3. After review and approval by the County Administrator, County Administration will route the PAR form to the following individuals for their timely review and comment:

- Finance Director
- Facilities Manager
- Planning and Public Works Commissioner
- County Attorney

Information Technology Services Director

Chair of the Legislative Program Committee(s) with oversight for the program(s) that will benefit from the project

The routing to these individuals is to ensure completeness and clarity, and to allow for comment prior to signing-off on the project. County Administration will collect comments from these individuals and forward them to the Project Manager. The Project Manager is responsible for addressing the comments. After these individuals are satisfied and have signed-off on the project, the PAR will be sent to the appropriate Legislative Program Committee(s) for review and approval.

After the final legislative approval, County Administration will retain the original PAR form, make it accessible to the public, collect updated project information from the Project Manager, and include the project information in appropriate budget documents.

4. Annually the 20-year Capital Program will be updated to reflect capital project activity.
5. The Capital Plan will be updated periodically, initially after three years.