

## THE UNIVERSITY OF IOWA



## MEMORANDUM

**To:** Jose Fernandez, Director, UIHC Capital Management

**From:** Richard See, Project Manager, Internal Audit *RS*  
 Jane Adams, Senior Auditor *JA*  
 Carol Senneff, Director of Internal Audit *CS*

**Date:** June 28, 2004

**Subject:** UIHC Construction Management Process Review

This memorandum is to document meetings held with you, your staff, and selected UIHC management to review the management processes relative to large construction projects at UIHC. Detailed flowcharts were prepared from the information shared in these meetings. Hopefully this compilation of information will assist you with future management decisions.

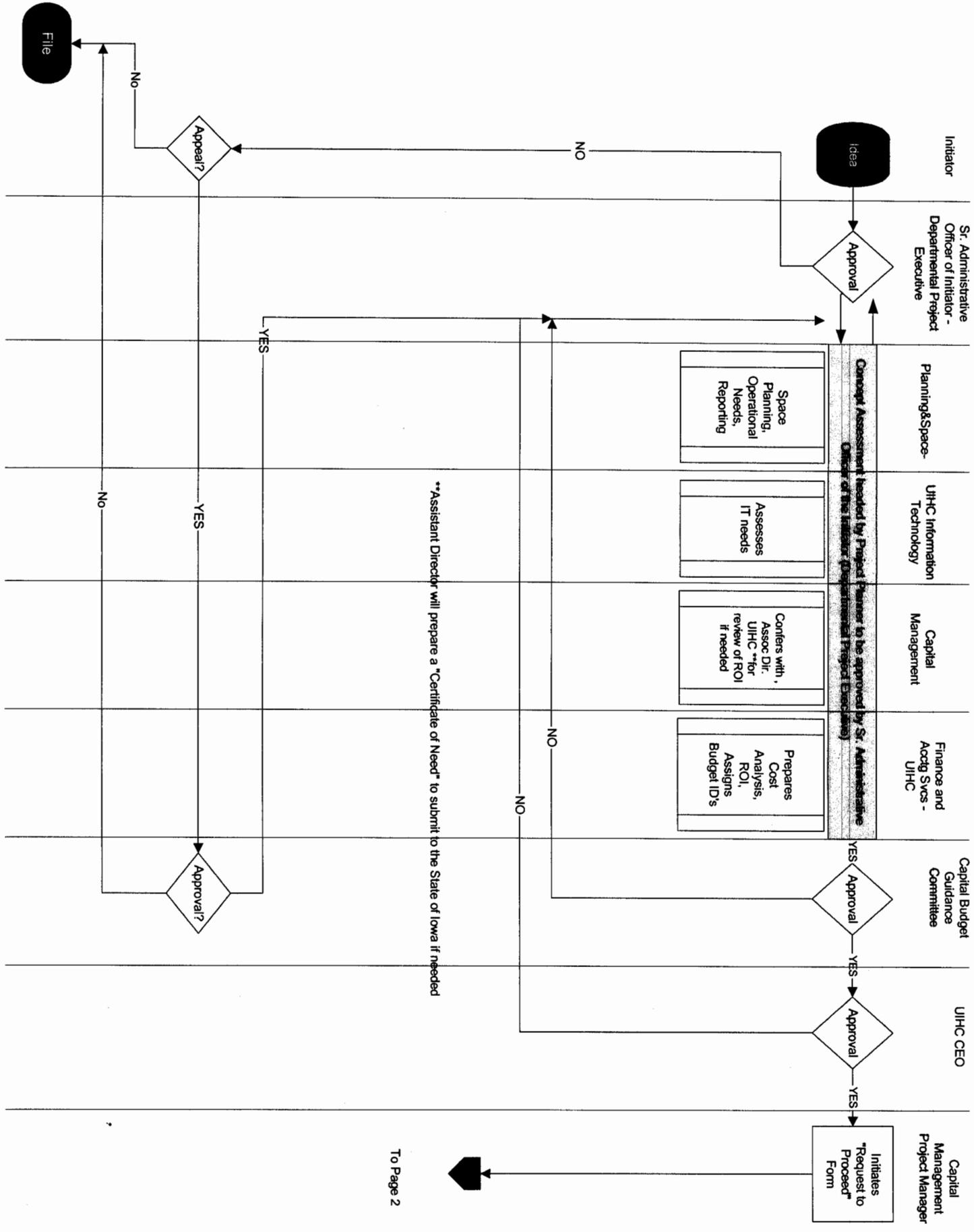
The knowledge gained by our staff from working with UIHC Facility Capital Management will build a basis for future audits of construction projects. Internal Audit is planning to perform a review of a specific UIHC construction project in the next fiscal year.

It was a pleasure to work with you and your staff, and we are looking forward to working with you in the future.

**cc:** David Skorton, President  
 Donna Katen-Bahensky, Chief Executive Officer, UIHC  
 Anthony DeFurio, Senior Associate Director, UIHC  
 John Staley, Associate Director, UIHC  
 Brandt Echternacht, Assistant Director, UIHC  
 Steve Romont, Manager, Finance and Accounting Services, UIHC  
 Terry Johnson, Controller and Assistant Vice President for Finance and Operations  
 Board of Regents, State of Iowa  
 Internal Audit Management Committee  
 Office of Auditor of State

## Attachments

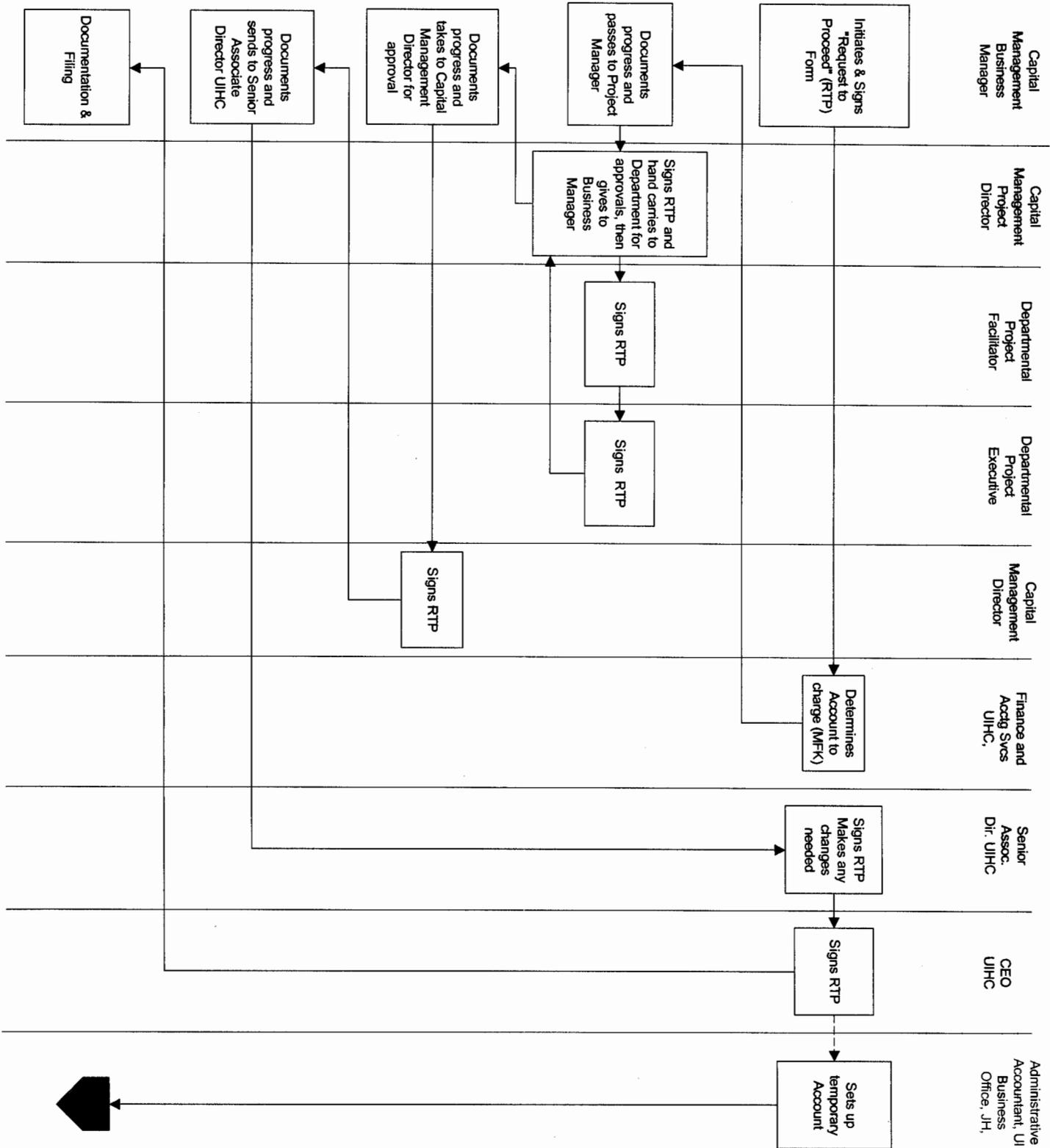
# Project Initiation Process - Projects > \$1 million - DRAFT



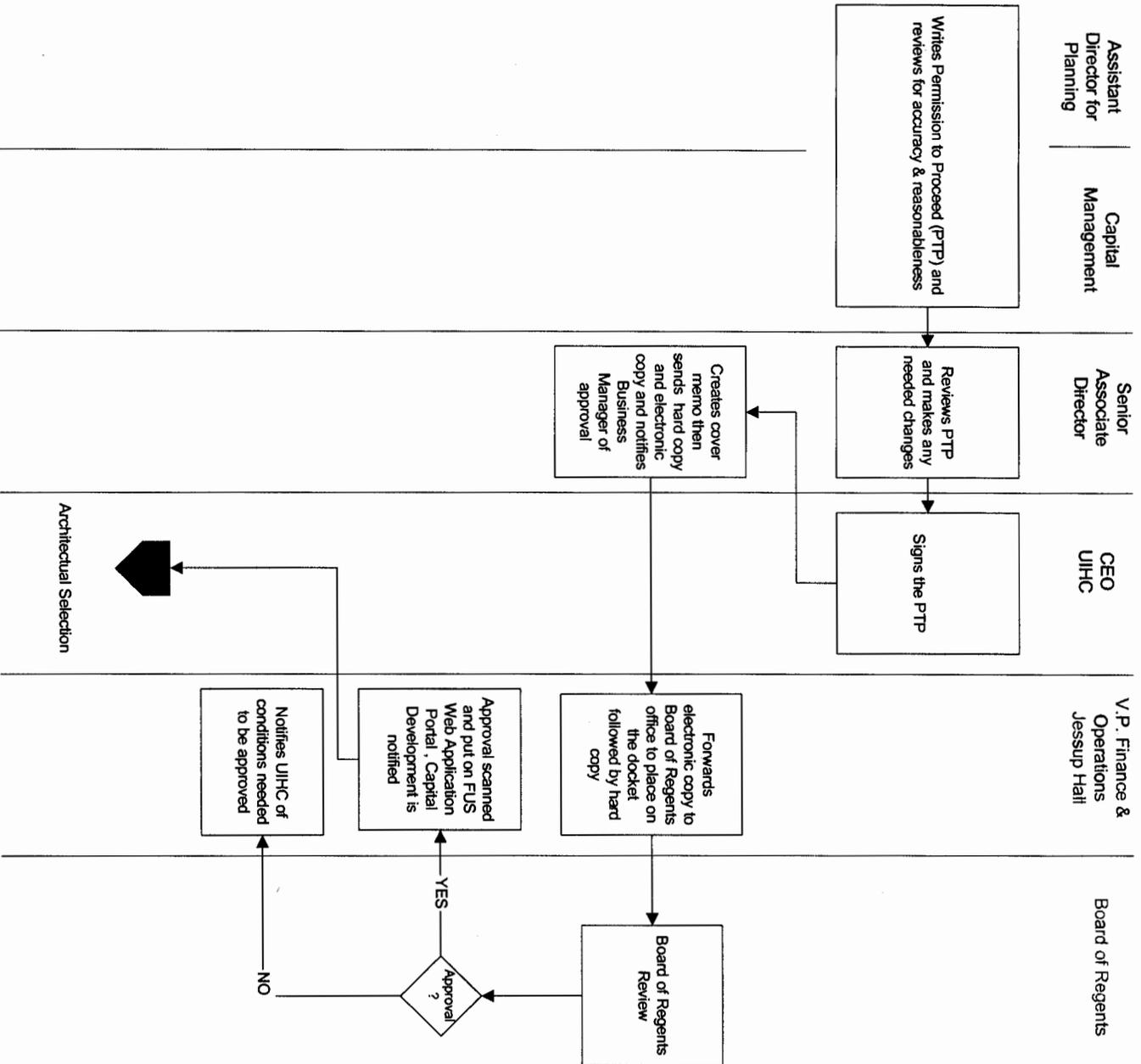
\*\*Assistant Director will prepare a "Certificate of Need" to submit to the State of Iowa if needed

To Page 2

# Project Initiation Process - Request to Proceed DRAFT



# Project Initiation Process - Permission to Proceed DRAFT



# Architect Selection Process

DRAFT

Project Manager

Capital Management Business Manager

Capital Management Director

Board of Regents

Prepare a schedule for the Arch Selection Process

Approve the schedule for the Arch Selection Process

Alert Short List group of scheduled meeting and enclose Copy of Notification Letter, cc to Pres, Exec Dir, and Asst Bus Mngr of BOR

Prepare notices of the UIHC's intent to secure architectural services:  
DM Register  
Iowa AIA  
Email firms who have expressed interest  
Post on the Capital Man. Web Site

Alert Arch Selection Comm of scheduled meeting and enclose Copy of Notification Letter, cc to Pres, Exec Dir, Asst Bus Mngr of BOR, and VP of Univ FSG

As proposals are received from Arch, request multiple sets, one for the project file, 2 for plan review area, and one for the user and others as needed.

Notify Short List group via email that material is available for review and provide a ranking sheet

Meet to select the "short list", Document the selection process and submit to Capital Man. Director

Notify all firms, set up interviews with those on the "short list"

Reviews, approves, and files

Interviews firms on the short list and chooses final candidate, documents selection process and submits to Cap Man. Director

Prepares letter to Hospital Director and Board President describing selection process

Drafts Contract from Proposal, sends to Architect and sends copy to Project Manager

Reviews, approves, and files

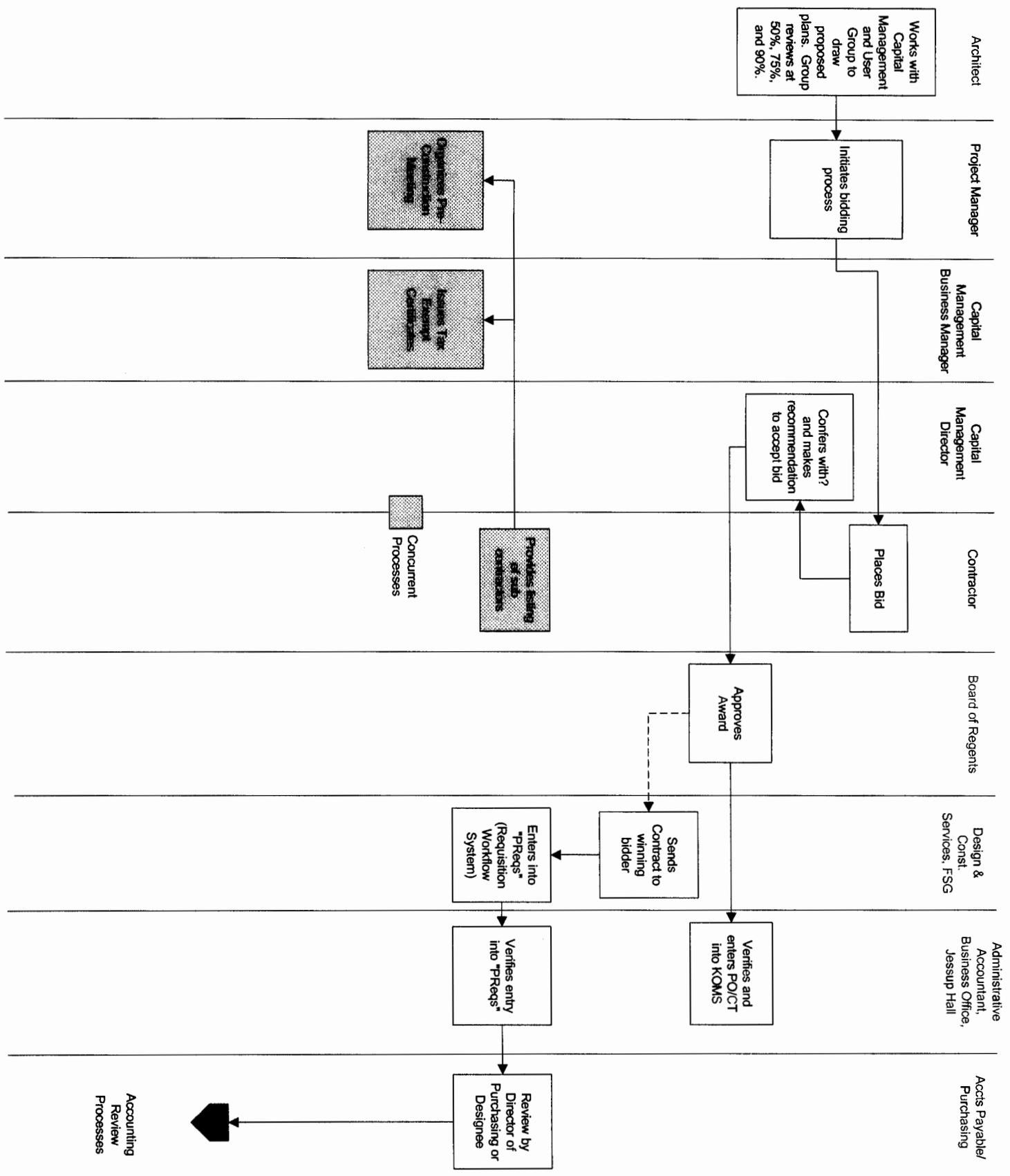
Approval of Selection Recommendation and agreement for design services

Prepare Docket Material for the Board

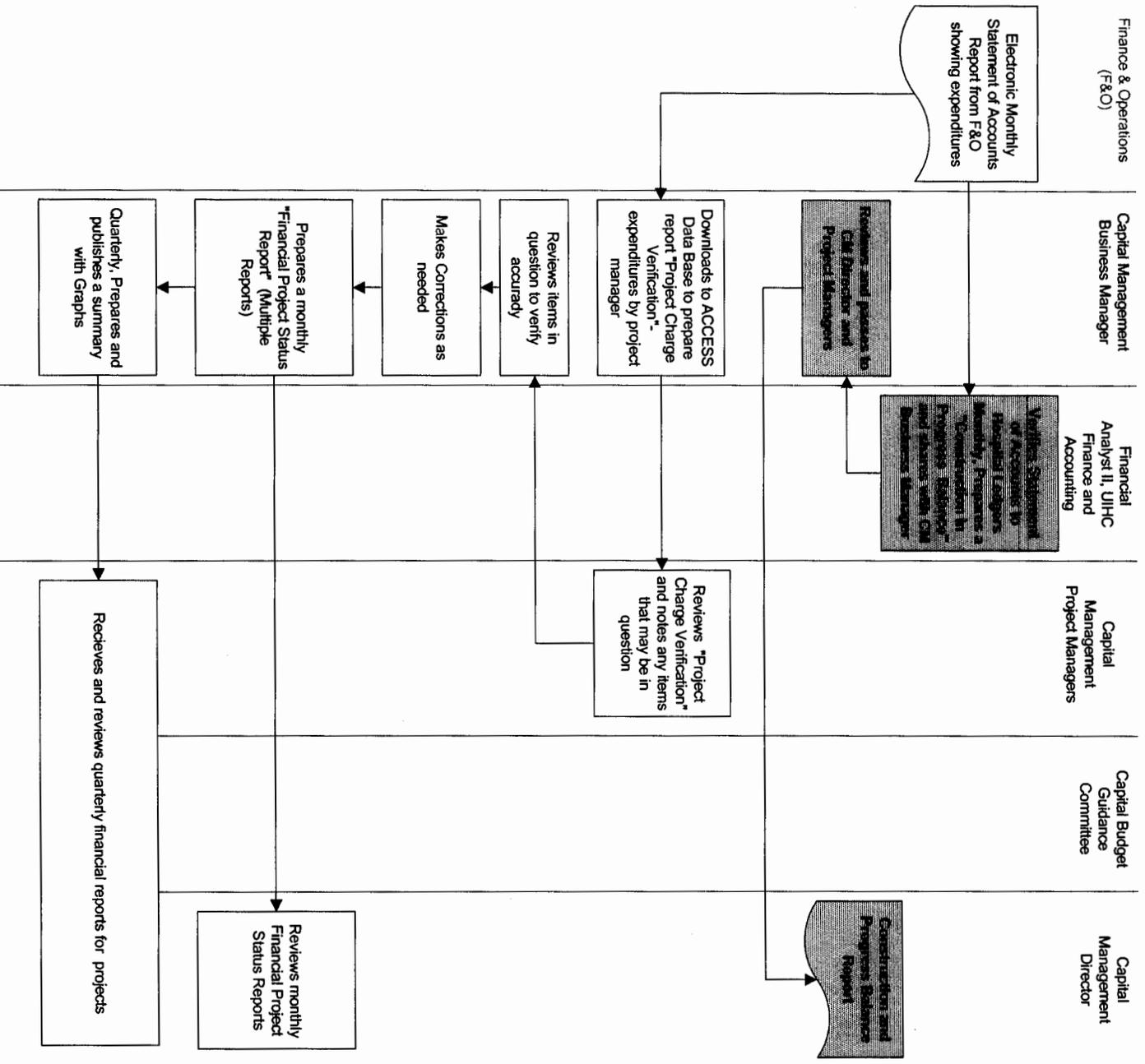
- Short List Selection Group:
- Project Manager
  - Project Departmental facilitator
  - Capital Management Dir
  - Hospital Planner If designated, BOR Representative

- Architectural Selection Committee:
- Project Manager
  - Project Departmental facilitator
  - Client Representatives If designated, BOR Representative



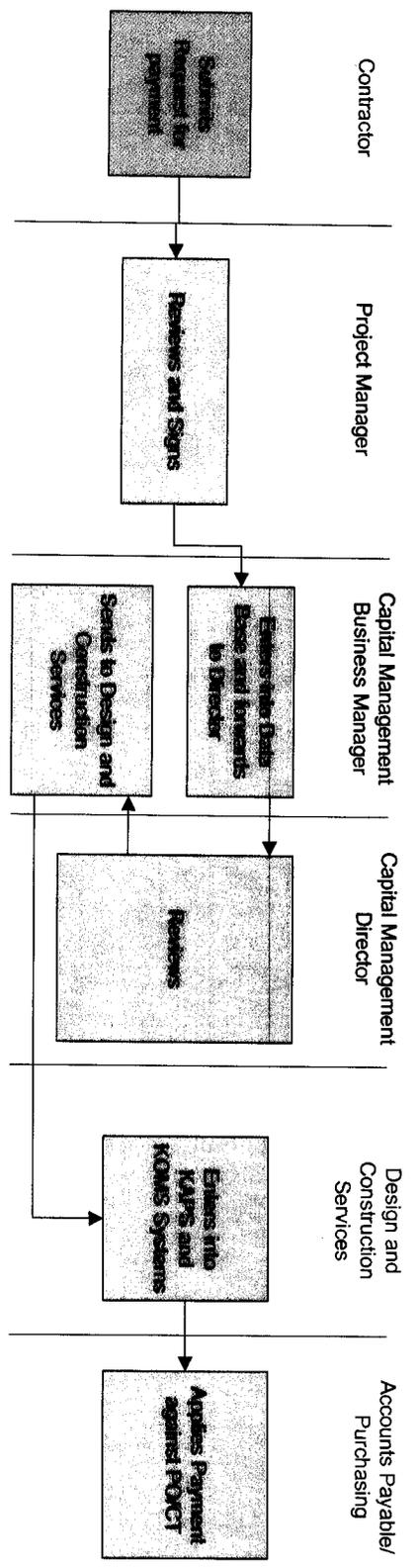


# Accounting Review Processes - DRAFT

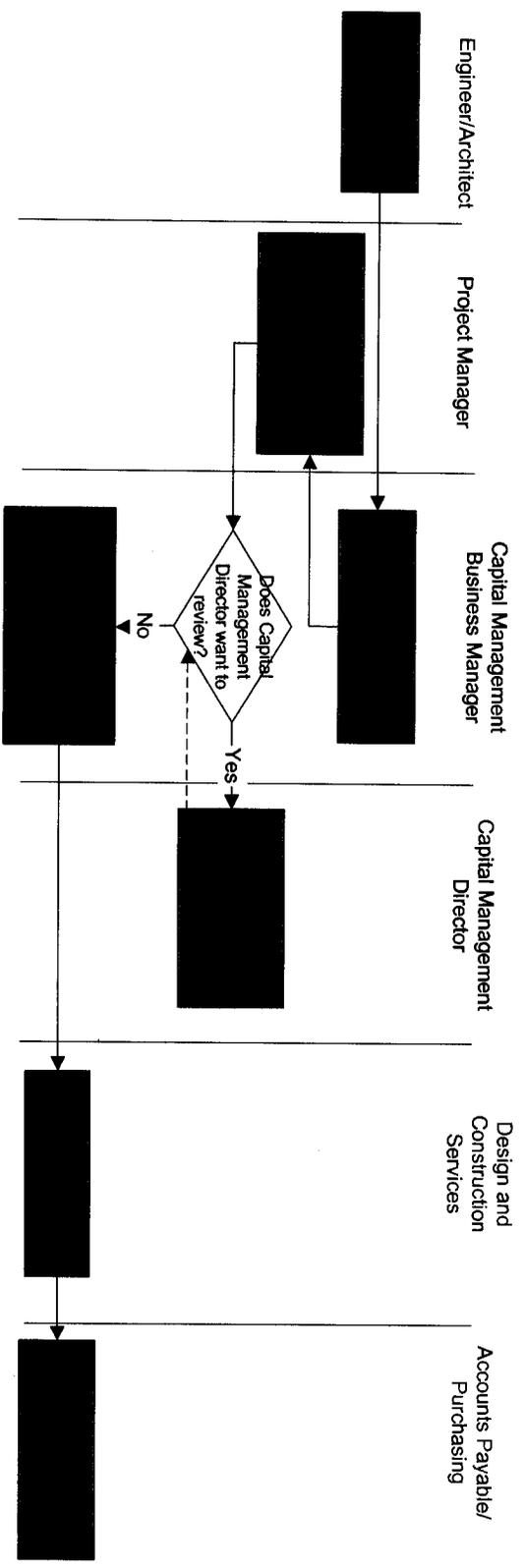


 Concurrent Processes

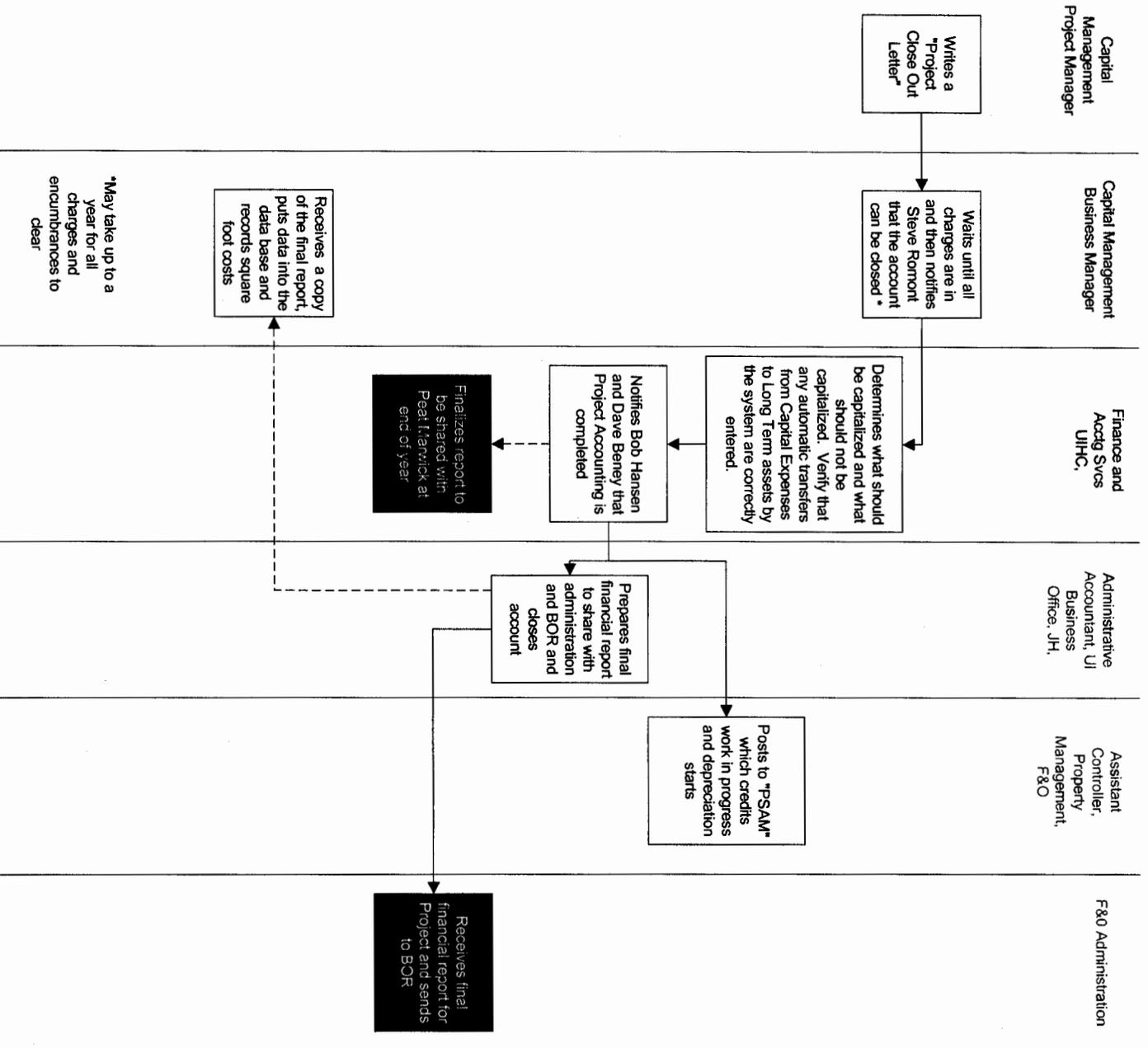
I. Processes relating to requests for Pay Applications to Contractors during the life of the Project



II. Processes relating to requests for Pay Applications to Engineers and Architects during the life of the Project



# End of Project Processes - DRAFT



\*May take up to a year for all charges and encumbrances to clear

# Change Authorization Requests (CAR's) AKA Change Orders - DRAFT

