

January 22, 1999

UCF MEMORANDUM UCF-09.01 -04/05

TO: Members, Council of Presidents

SUBJECT: Administration of Architect/Engineer Agreements

AUTHORITY: Sections 240.209(3)(p), 255.29(3), F. S.  
Rules 6C-14.007, 6C-14.020, F.A.C.

**POLICY/PURPOSE:** To establish procedures for the administration of architect/engineer agreements, including negotiation, contracting, and payments, additional service authorizations and amendments Contracting Authority. The university is the contracting authority for all architect/engineer (A/E) agreements in accordance with Rule 6C-14.007, F.A.C.

**Scheduling the Negotiation.** Upon approval of the A/E selection as described in Chancellor's Memorandum CM-N-06, Architect/Engineer Selection Process, the university project manager schedules the negotiation meeting with representatives of the architect/engineer and university facilities office. The university project manager transmits to the A/E the standard Agreement between Owner and Architect/Engineer, the Project Manual, any applicable Supplements to the Project Manual, the Cost Containment Guidelines and the Professional Services Guide. These documents can be obtained from the Office of Facilities Planning. The university project manager directs the A/E to prepare a proposal, including any additional services proposed for inclusion in the agreement.

Negotiations. Representatives of the university facilities office meet with the A/E to negotiate the agreement. Negotiations are conducted for fees for basic services plus fees for any pre-negotiated additional services to be included in the agreement. The basic services fee is based on the State University System (SUS) Fee Schedule, and the basis is the construction amount on the Capital Outlay Implementation Plan (COIP), not including project contingency. Pre-negotiated additional services must be documented by detailed proposals from the A/E and its consultants, if any, including proposed number of hours and hourly rates for those involved in the work. Services for which the fee is difficult to estimate or for which the fee is likely to be revised should not be included in the lump sum base agreement, but should be issued as Additional Service Authorizations.

The A/E should be asked to provide a list of maximum hourly billing rates by personnel category for use in negotiating future Additional Service Authorizations. Hourly rates should not exceed \$125.00. If negotiations with the first ranked firm are unsuccessful, the university may terminate negotiations with that firm and begin negotiations with the second ranked firm. If negotiations with the second ranked firm are unsuccessful, the university may terminate negotiations with that firm and begin negotiations with the third ranked firm. If negotiations with the third ranked firm are unsuccessful, the university

may terminate negotiations with the third ranked firm, and may select additional firms from the original pool or re-advertise the project.

**Preparation of Agreement.** Upon completion of successful negotiations, the university prepares a Report of A/E Negotiations Conference (Attachment 1), which summarizes the negotiations. Based on this report, the university prepares the agreement, using the standard SUS Agreement between Owner and Architect/Engineer, making only those changes which are specific to the project. After approval and signature by the university general counsel, the project manager transmits four copies of the agreement to the A/E for execution.

**Release of Funds.** The project manager requests a release of funds from the Board Office of Budgets in accordance with Chancellor's Memorandum CM-D-38, Capital Outlay Implementation Plans, Budget Releases and Encumbrance Authorizations. The agreement must not be signed by the university president until the funds have been released.

**Execution by University President.** Upon release of funds and receipt of the executed agreements, the project manager secures the signature of the university president, and seals the agreements. The agreement date (first line of the agreement) is filled in, using the date of the president's signature.

**Distribution of Executed Agreement.** Upon final execution of the agreement by the university president, copies are distributed as follows: the A/E, the university facilities office, the university accounting office, and the State Comptroller's Office. A/E Agreement File. The university facilities office maintains an agreement file containing: the A/E agreement, the negotiations report, any supporting proposals submitted by the A/E, and any additional information related to the negotiation and agreement execution. Information related to amendments, Additional Service Authorizations and payments shall also be maintained in the file.

**Amendments to A/E Agreements.** When a scope change (e.g. addition of funds, program amendment, etc.) which alters the construction cost stated in the original agreement is proposed, the agreement must be amended. (Additions of funds which are made solely to prevent the need for redesign of the A/E's documents are not eligible for a fee amendment, since the A/E would have been obligated to redesign at the A/E's own expense under the terms of the agreement.) Amendments are negotiated, documented, executed and distributed in the same manner as the original agreement. The construction cost cannot be revised in the agreement unless a corresponding change is made to the COIP. Releases must be requested for amendments in the same manner as for the original agreement.

**Additional Service Authorizations.** Any services which are not authorized by the original agreement must be authorized in writing by means of an Additional Service Authorization (Attachment 2) prior to commencement of the services by the A/E. Authorization types include:

**Lump Sum.** Issued when the exact scope of work can be determined. Lump sum authorizations may only be paid upon the approval of deliverables as

established in the authorization, and for which the fee for the deliverable is documented in detail in the proposal.

**Not-to-Exceed.** Issued when the exact scope of work cannot be easily determined, cannot be agreed upon, or may require future revisions (e.g. Project Representative, geotechnical services). Not-to-exceed authorizations are paid monthly based on a detailed invoice, including time sheets, receipts, etc. Supporting Documentation. A lump sum authorization may be based on the SUS fee curve, in which case additional documentation is not required, or must be documented by a detailed proposal. The proposal must contain documentation for the entire fee, including any involved consultants, and must include a breakdown of hours required and hourly rates. Rates must be within the maximum hourly rates established in the negotiation. Not-to-exceed authorizations are issued based on the A/E's proposed estimates of cost.

**Release of Funds for Additional Service Authorizations.** Fees for additional services must be released prior to execution of the authorization, as described in Chancellor's Memorandum CM-D-38, and will be released from the appropriate line of the COIP. The authorization, when combined with other authorizations assignable to the same category, must not exceed the line amount on the approved release. The amount released for design contingency may be used for any design phase authorizations.

**Numbering.** The authorization number must follow consecutively from the last approved authorization. If a revision is being made to an existing authorization, it must be numbered consecutively, for example, No. 1(Rev. 1), No. 1(Rev. 2), etc. Distribution. When the authorization has been approved, it is printed on yellow paper, signed by the university's facilities office director or designee, and immediately distributed, together with all backup to: the A/E, appropriate university offices (accounting, etc.); and, the State Comptroller's Office.

**A/E Invoices.** The A/E submits invoices to the university facilities office for approval. The university reviews the invoice, checking that appropriate documentation (as described in the Professional Services Guide) is included and that all calculations are correct. If the work product described in the invoice has not yet been approved by the university facilities office, the invoice is returned to the A/E, with instructions to resubmit after approval of the work product. After approval of the invoice, the university facilities office sends it to the university accounting office for processing and transmittal to the State Comptroller. All invoices must be processed within the time limits described in Section 215.422, F. S.

Contact: Gina Seabrook  
Office of Facilities Planning  
(407) 823-2166  
Internet Address: gseabroo@mail.ucf.edu

Attachment 1

## REPORT OF A/E NEGOTIATIONS CONFERENCE

Project Name: Date:

Univ: BRA/

E Firm Name:

A/E Address:

City: State: Zip: Fed ID#:

A/E represented by:

Others present:

NEGOTIATED FEE

Basic Services \$ x = \$

Plus \$ \* (Add'l Services, incl. life cycle analysis) = TOTAL FEES\$

Life Cycle Analysis: Req'd for this project? If so, determine the fee using the fee curve. \$

\*Other negotiated additional services: Any other additional services which are to be included in the lump sum agreement must be documented by a proposal outlining the scope

of services and a detailed breakdown of the fee.

SCHEDULE & REVIEW SETS

Phase Fee % # of Review Sets Calendar Days

Conceptual Schematics (10%)

Advanced Schematics (10%)

Design Development (15%)

50% Construction Documents (15%)

100% Construction Documents (20%) \*\*

Receipt of Bids (5%)

Construction Phase (25%) (to be paid in monthly increments in proportion to payments made to Contractor)

Post Occupancy Inspection \$ (to be paid from Construction Phase fee)

\*\*include 2 signed and sealed sets which are required for Fire Marshal

(NOTE: If currently available funds are not adequate to support the entire fee, the Agreement should provide for the A/E to suspend work at the completion of the last authorized

phase, and to resume work only upon receipt of a "Letter of Activation" from the university. If this is the case, so indicate by drawing a line under the last authorized phase.)

Review Time: How many calendar days (maximum) will be required for document review?

CAD?

Name & Date of Program:

If the entire program is not being implemented at this time, explain.

Professional Liability Insurance (amount stated in the advertisement) \$

Att. to UCF-09.01-04/05

Attachment 2

ADDITIONAL SERVICE AUTHORIZATION

(Date)

TO: (Name & address of A/E) Authorization No. X

Reference: UNIV, BR-XXX

(Proj. Name)

FROM: (Univ. Proj. Mgr. or other)

Under the terms of Subparagraph/Paragraph No. \_\_\_\_\_ in the Agreement (must verify in agreement), you are hereby authorized to perform or direct the following Additional Services:

Consultant: name of Architect/Engineer and name of consultant, if any

Maximum Authorized Cost: \$\_\_\_\_\_ Not-to-Exceed

- OR -

Authorized Cost: \$\_\_\_\_\_ Lump Sum

Description of authorization, including required deliverables, associated payments, and time schedule for services. Reference all proposals.

Please invoice in accordance with the following instructions:

Submit a signed original and three copies of the invoice as specified in your Agreement and in the Professional Services Guide. To three copies of the invoice attach: a copy of this authorization; for not-to-exceed authorizations based on hourly rates, a sheet displaying computations of hours and salary rates used to arrive at the invoiced amount and copies of time sheets; the consultant's invoice, where applicable, indicating your firm's approval; and, any other documents necessary to substantiate the invoice. For services to be paid directly to an authorized consultant, indicate separate payment on the invoice in the space provided.

APPROVED BY: \_\_\_\_\_

Name

Title

cc: State Comptroller  
Appropriate University Offices

Att. to UCF-09.01-04/05