

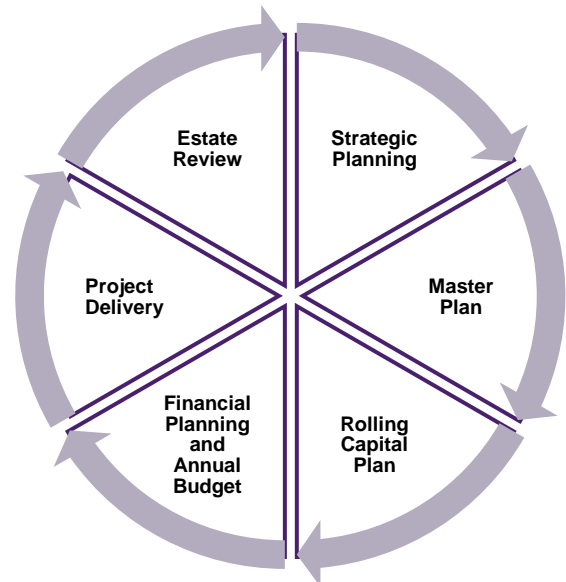
Capital Planning and Approvals Framework Procedures

1. Purpose and Scope

The University of Queensland Act 1998 (UQ Act) requires The University of Queensland (UQ) to provide facilities and resources for study and research and for the wellbeing of UQ's staff, students and other persons undertaking courses at UQ.

This procedure outlines the *Capital Planning and Approvals Framework* for planning, approving and governing capital projects within the University of Queensland. This generally includes new construction, renovations, maintenance, enterprise systems, and virtual capital projects.

The objectives of this framework are to enable due diligence and informed decision making and provide assurance to Senate and the University that the capital program is governed appropriately and aligns with UQ's strategic objectives.



2. Process and Key Controls

- a) The [Strategic Plan](#) maps the University's vision and sets priorities for operationalisation, including the development intentions of the [Master Plan](#), and the principles outlined in the [PPL? Estate and Campus Operations Policy](#) and the [6.20.01 Information and Communication Technology Policy](#).
- b) The *Capital Planning and Approvals Framework* supports strategic assessment of capital proposals and informs capital planning and budgeting.
- c) The *Capital Planning and Approvals Framework* is implemented in accordance with relevant University of Queensland policies including 1.10.01 Delegations Policy and [Schedule of Financial Sub-delegations](#) and 9.25.01 Investment Policy, specifically [2.8 Capital investments](#).
- d) The Capital Management Group (CMG), Chaired by the Vice-Chancellor, reviews all capital proposals that require Vice-Chancellor or Senate approval, using criteria based on the key requirements and principles under the University's Project Governance and Management Framework.
 - Capital expenditure requiring Senate approval will be supported by a business case that will require review and endorsement by CMG and the Finance Committee.
 - Capital expenditure on projects that are within the Vice-Chancellor's delegation will be approved via CMG review of proposals against a predefined criteria, and using UQ's expenditure delegation framework.
- e) The Campus Infrastructure Committee (CIC), a Senate Committee, has a role in preserving the physical qualities that are the hallmarks of UQ and may advise on capital proposals that: are outside the Master Plan; are located in the vicinity of the Great Court and/or will impact heritage listings; involve acquisition or disposal of land or buildings; and involve naming/ re-naming of buildings.

3. Key Requirements

- a) An equitable, whole of university picture of capital priorities is enabled via a start of year annual round for new capital requests above \$300,000. In exceptional circumstances, new capital requests may be reviewed outside of the annual round.
- b) Capital proposals are submitted using templates with predefined criteria based on the key requirements and principles under the University's Project Governance and Management Framework.
- c) Recommended processes¹ for consideration of capital proposal requests are outlined in the table below:

Item	Ultimate Approver	Approval and Implementation process
Works under \$300,000 and Maintenance	COO	Work with Property and Facilities (P&F) and/or Information Technology Services (ITS) to progress implementation.
New capital proposals from \$300k-\$30M	CMG ²	Submit proposal via annual Expression of Interest (EOI) program (Process and deadline signalled at start of each year). <ul style="list-style-type: none"> – Proposals identified by CMG as suitable for progression may be approved for direct implementation or allocated funding to develop a Business Case. CMG will decide on next steps depending on the overall cost and complexity of the project.
New capital proposals above \$30M	Senate (via CMG endorsement)	Submit proposal via annual Expression of Interest (EOI) program (Process and deadline signalled at start of each year). CMG endorsed projects may receive funding to develop a Business Case. Completed Business Cases should be submitted to CMG for endorsement to Senate.
Existing (already approved) Project requests for: <ul style="list-style-type: none"> – Scope Changes – Additional funding – Repurposing underspends – Contingency above 10% 	CMG	Submit to any CMG meeting for consideration and approval.
Urgent/Unforeseen requests above \$300k	CMG	Submit to any CMG meeting for consideration and approval.

¹ Exclusions from this process may include works in pre-approved P&F/ITS contingency or asset management budgets, some Research Infrastructure, and projects funded by local area budgets, which also have a pre-approved project code from the Provost.

² CMG's approval of certain proposals may be conditional on endorsement from the Campus Infrastructure Committee (CIC). See section 2(e) of this Procedures under Process and Key Controls.

4. Roles, Responsibilities and Accountabilities

4.1 Senate

Senate (or relevant committee) is responsible for: reviewing and approving the University's Capital Investment Plan and supporting work programs and budgets; reviewing and approving individual projects and programs that require Senate approval as per the Delegations Framework; and monitoring the UQ-wide portfolio of projects and programs and progress towards realisation of planned benefits.

4.2 UQ Senior Executive Team (USET)

USET, chaired by the Vice-Chancellor, plays an active role in the University's Strategic planning processes, including its capital priorities and will have input and visibility of capital projects and programs.

4.3 Capital Management Group (CMG)

The CMG, chaired by the Vice-Chancellor, is responsible for:

- a. Providing effective management oversight and controls over the prioritisation (based on CMG approved criteria), allocation and use of UQ's capital investment funds, and holding project sponsors and owners accountable for delivering planned benefits within agreed parameters.
- b. Prioritisation, allocation, management and optimisation of the enterprise-level portfolio of project proposals, projects and programs.
- c. Reviewing all project proposals and Business Cases that require Vice-Chancellor or Senate approval using a predefined criteria based on the key requirements and principles of this policy.
- d. Controlling the concept funds budget (to enable the development of project proposals and business cases) and ensuring proper discipline around its allocation, use and accounting.
- e. Effective oversight of the project pipeline comprising all approved and also developed-but-not-yet-approved project proposals.
- f. Monitoring strategic (significant impact on UQ's strategic objectives, focus areas or priorities), high cost (over \$10M), high impact and/or high risk projects and programs and the overall enterprise-level portfolio to ensure realization of planned benefits.

4.4 Project Sponsors

Project Sponsors have authority to sign off on project proposals and are responsible for reviewing and endorsing capital proposals before submission to CMG.

Proposals under \$5 million can be sponsored by a member of USET or a Director of a Major Research Institute (IMB, QBI, SMI, AIBN, and QAAFI).

Proposals over \$5 million must be sponsored by Provost, COO or one of the DVC's

4.5 Governance Groups for Approved Capital Projects

Governance Groups for *Approved Capital Projects* include but are not limited to

- Function or Portfolio-specific Project Management Offices within Property and Facilities and Information Technology Services units.
- Strategic Program Office (SPO).
- Project Governance Office (PGO).

5. Monitoring, Review and Assurance

CMG will nominate the Governance Group for Approved Capital Projects as part of the approval process. Governance Groups for *Approved Capital Projects* are responsible for:

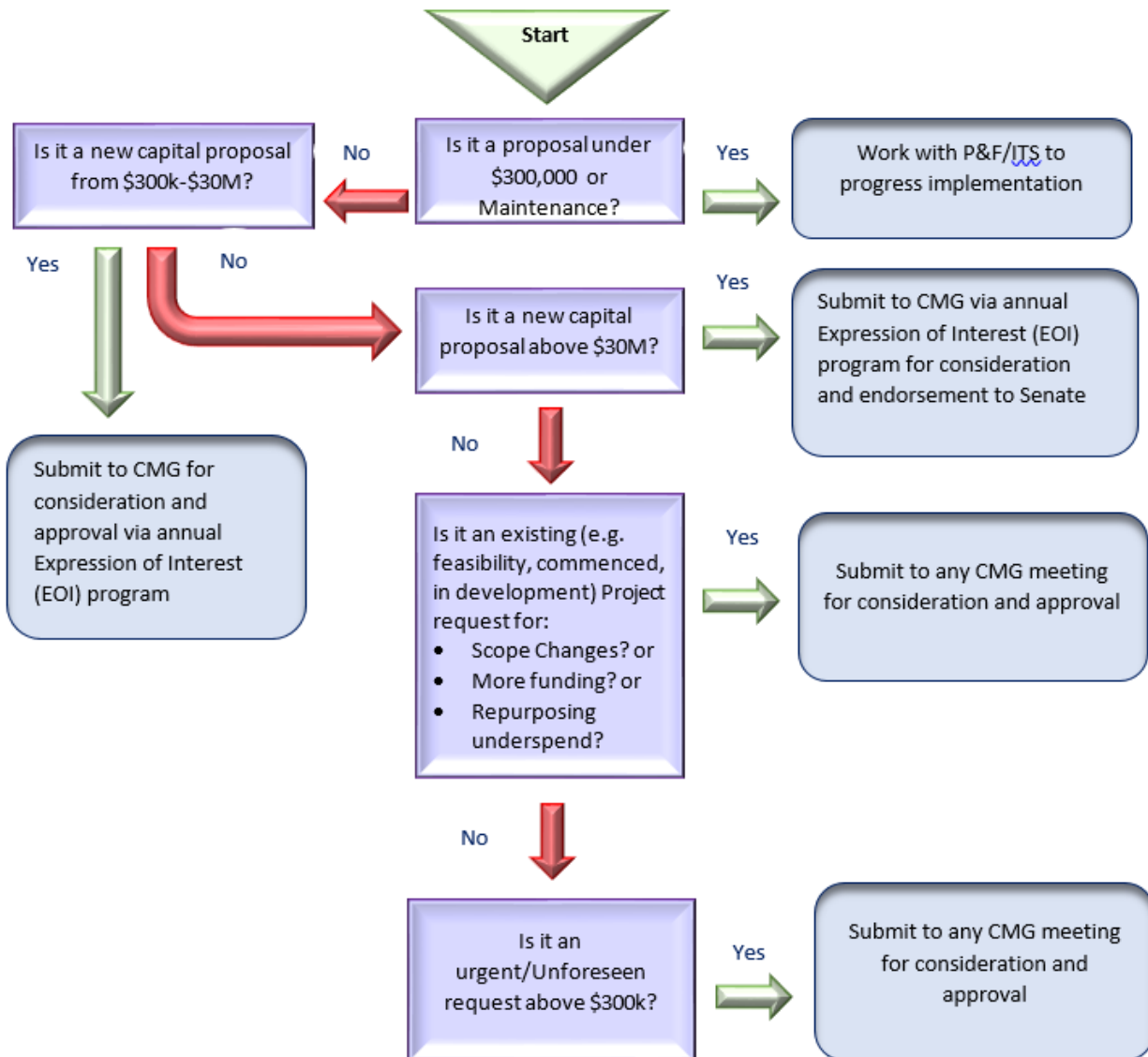
- Proactively assisting and guiding the project sponsors and owners to proceed from proposals to properly considered and constituted business case by enabling, ensuring and demonstrating the idea is attractive, affordable, achievable and adaptable.
- Ensuring the funds allocated for developing proposals and business cases for the assigned strategic projects/programs is used effectively and efficiently.
- Proactively assisting and guiding the project/program sponsors and owners to proceed from an approved business case to realisation of the underlying benefits by enabling (including through development of change management strategies) and ensuring (through monitoring and reviews) proper planning and execution of the approved project/program management plan.
- Monitoring project/program implementation and realisation of planned benefits, and reporting the results

Further details on the roles and remit of Governance Groups for *Approved Capital Projects* are outlined in the University's Project Governance and Management Framework.

6. Recording and Reporting

- Governance Groups for Approved Capital Projects are responsible for reporting outcomes to CMG and other relevant committees on project/program implementation and realisation of planned benefits.
- Reports or requests from Project Governance Groups to Senate or Senate committees will be progressed via endorsement by CMG.
- Approved capital projects will be included in the University's Capital Plan for consideration and endorsement by Senate.
- The approved Capital Plan will be available to University Staff.

7. Workflow for Capital Approvals



Terms of Reference for the Capital Management Group (CMG) and the Capital Plan Working Team (CPWT)

TERMS OF REFERENCE: CAPITAL MANAGEMENT GROUP

1.0	ESTABLISHMENT	
	1.1	The Capital Management Group (CMG) was established by the Vice-Chancellor to oversee the <i>Capital Planning and Approvals Framework</i> for planning, approving and governing capital projects within the University of Queensland. The objectives of this framework are to enable due diligence and informed decision making and provide assurance to Senate and the University that the capital program is governed appropriately and aligns with UQ's strategic objectives.
2.0	RESPONSIBILITIES	
	2.1	The Capital Management Group (CMG) is responsible for approving all capital projects within the Vice-Chancellor's delegated authority and endorsing capital projects outside this delegated authority for onward consideration by Senate.
	2.2	<p>The CMG, chaired by the Vice-Chancellor, is responsible for:</p> <ol style="list-style-type: none"> a. Providing effective management oversight and controls over the prioritisation (based on CMG approved criteria), allocation and use of UQ's capital investment funds, and holding project sponsors and owners accountable for delivering planned benefits within agreed parameters. b. Prioritisation, allocation, management and optimisation of the enterprise-level portfolio of project proposals, projects and programs. c. Reviewing all project proposals and Business Cases that require Vice-Chancellor or Senate approval using a predefined criteria based on the key requirements and principles of this policy. d. Controlling the concept funds budget (to enable the development of project proposals and business cases) and ensuring proper discipline around its allocation, use and accounting. e. Effective oversight of the project pipeline comprising all approved and also developed-but-not-yet-approved project proposals. f. Monitoring strategic (significant impact on UQ's strategic objectives, focus areas or priorities), high cost (over \$10M), high impact and/or high risk projects and programs and the overall enterprise-level portfolio to ensure realization of planned benefits.
	2.3	<p>Although the Capital Management Group (CMG) oversees the Capital Planning and Approvals Framework for planning, approving and governing capital projects, its primary functions are on planning and approving projects.</p> <p>As part of the approval process CMG will nominate the type of Governance Group for approved Capital Projects. Definitions for the different governing groups are outlined in the Project Governance and Management Framework.</p>
3.0	DELEGATIONS	
	3.1	CMG functions as an advisory group to the Vice-Chancellor on capital matters under the Vice-Chancellor's delegation. The Capital Planning and Approvals Framework is in accordance with relevant University of Queensland policies including 1.10.01 Delegations Policy and Schedule of Financial Sub-delegations and 9.25.01 Investment Policy, specifically 2.8 Capital investments .
	3.2	<p>Project Sponsors have authority to sign off on projects and are responsible for reviewing and endorsing capital project proposals before submission to CMG.</p> <p>Proposals under \$5 million can be sponsored by a member of USET or a Director of a Major Research Institute (IMB, QBI, SMI, AIBN, and QAAFI).</p> <p>Proposals over \$5 million must be sponsored by Provost, COO or one of the DVC's</p>
4.0	MEMBERSHIP	
	4.1	The membership of the CMG will consist of:

		<ul style="list-style-type: none"> - Vice-Chancellor and President (Chair) - Provost (Deputy Chair) - Chief Operating Officer - Deputy Vice-Chancellor (Academic) - Deputy Vice-Chancellor (Research Innovation) - Chief Financial Officer - Director, Property & Facilities - Chief Information Officer
5.0	INVITEES	
	5.1	The CMG may invite any person or persons whether from within or external to the University as it may determine, to assist in its deliberations either for particular items or for whole meetings.
6.0	REPORTING	
	6.1	The CMG reports to the Vice-Chancellor
	6.2	The CMG will report outcomes of capital requests to Project Sponsors
7.0	REVIEW OF THE GROUP	
	7.1	The CMG will review its functions and performance at a minimum every two years.
8.0	FREQUENCY OF MEETINGS	
	8.1	The CMG will meet at a minimum six times a year with at least one meeting in each quarter.
9.0	QUORUM	
	9.1	The quorum for meetings is half of the membership plus one.
10.0	SERVICING OF COMMITTEE	
	10.1	Secretariat for the CMG will be provided by the Director, Office of the Provost
	10.2	<p>Preparatory support for the annual round for new capital requests, is provided by the Capital Plan Working Team (CPWT), coordinated by Director, Office of the Provost, and comprising representation from Research and Academic portfolios, and functional experts from FBS, P&F and ITS, and PGO.</p> <p>Capital requests will be reviewed and endorsed by ITS (for virtual) or P&F (for built) PMO prior to submission to CPWT or CMG.</p> <p>The CPWT comprises:</p> <ul style="list-style-type: none"> - Director, Office of the Provost (Team Leader) - Director, Research Infrastructure - T & L Project Manager, Institute for Teaching and Learning Innovation - Manager, Project Governance, Enterprise Risk Services - Senior Program Manager, Strategic Program Office - Associate Director Project Delivery, Construction - Associate Director, IT Governance - Senior Management Accountant (P&F) - Senior Management Accountant, (SPO) - Others as required