

4-OP-B-11-D1 ADMINISTRATION OF ARCHITECT/ENGINEER AGREEMENTS

Responsible Division: Finance and Administration
Approving Official: Kyle Clark
Effective Date: January 1, 2014
Last Revision Date: Unrevised at this time.

SPECIFIC AUTHORITY
Section 1001.74(28), F. S.

OBJECTIVE
To establish procedures for the administration of architect/engineer agreements.

OVERVIEW
This document describes the procedures for the administration of architect/engineer (A/E) agreements, including negotiation, contracting and payments, additional service authorizations and amendments.

A. SCHEDULING THE NEGOTIATION MEETING
Upon approval of the A/E selection as described in FSU Online Policies and Procedures OP-B-11-C1 Architect/Engineer Selection Process, the project manager schedules the negotiation meeting with representatives of the A/E. If the A/E does not have them in its files, the project manager transmits to the A/E the standard Agreement between owner and A/E, the Project Manual, any applicable Supplements to the Project Manual, the FSU Design Guidelines and the *Professional Services Guide*. The project manager directs the A/E to prepare a proposal, including any additional services proposed for inclusion in the agreement.

B. NEGOTIATIONS
Representatives of the Facilities Design and Construction Office (FDC) 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 FSU 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 not-to-exceed Additional Service Authorizations.

The project manager will ask the A/E to provide a list of maximum hourly billing rates by personnel category for use in negotiating future Additional Service Authorizations. Hourly rates will not exceed \$135.00. (Special consultants' rates outside the normal disciplines will be considered on an individual basis.)

If negotiations with the first ranked firm are unsuccessful, negotiations with that firm may be terminated and negotiations may be commenced with the second ranked firm. If negotiations with the second ranked firm are unsuccessful, the negotiations with that firm may be terminated and begun with the third ranked firm. If negotiations with the third ranked firm are unsuccessful, negotiations with the third ranked firm may be terminated and additional firms from the original pool may be selected or the project may be re-advertised.

C. PREPARATION OF AGREEMENT
Upon completion of successful negotiations, the FDC prepares the agreement, using the standard FSU Agreement between owner and A/E. The Report of A/E Negotiations Conference (forms section) which summarizes the negotiations, may be used as a tool in the preparation of the agreement. After approval and signature by the University General Counsel, the FDC transmits four (4) copies of the agreement to the A/E for execution.

D. EXECUTION BY UNIVERSITY PRESIDENT
If funds have been released by the Executive Office of the Governor, the FDC secures the signature of the University President or designee. The agreement date (first line of the agreement) is filled in, using the date of the President's signature.

E. DISTRIBUTION OF EXECUTED AGREEMENT
Upon final execution of the agreement by the University President, copies are distributed as follows: the A/E, the FDC and the University Accounting Office (2).

F. A/E AGREEMENT FILE
The FDC 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 are also maintained in the file.

G. 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.

H. 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 (forms section) prior to commencement of the services by the A/E.

1. Types of Authorizations Authorization types include:

a. 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.

b. 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.

2. Supporting documentation

A lump sum authorization may be based on the FSU 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.

3. Release of funds for Additional Service Authorizations

Adequate funds to cover fees for additional services must be released prior to execution of the authorization.

4. 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.

5. Distribution

When the authorization has been approved, it is printed on yellow paper, signed by the Associate Vice President for Facilities or designee and immediately distributed, together with all backup to: the A/E, FDC file and the University Accounting Office (2).

I. A/E INVOICES

The A/E submits invoices to the FDC for approval. The contract administrator 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 project manager, the invoice is returned to the A/E, with instructions to resubmit after approval of the work product. After approval of the invoice, the FDC sends it to the University Accounting Office for processing. All invoices must be processed within the time limits described in Section 215.422, F. S.

FORMS

Report of A/E Negotiations Conference
Additional Service Authorization