BOARD POLICY

No capital construction contract for a project costing more than one hundred thousand dollars ($100,000) may be executed before approval has been granted by the Board or the Chancellor, as stipulated in Policy 8065. After Board approval, the contract will be signed in this order:

1. Contractor
2. President or Vice President for Administration and Finance
3. Chancellor or Vice Chancellor for Finance and Administration or General Counsel

Form

If a contract is for labor and material costing less than one hundred thousand dollars ($100,000), a short form may be used. The short form should include the following elements:

1. Owner is the Board of Trustees of the Nebraska State Colleges doing business as (d.b.a.) __________ State College
2. Detailed Scope of Work
3. Contract Sum
4. Progress Payment Schedule (if applicable)
5. Time of Commencement and Completion
6. Fair Labor Standards Statement
7. Equal Employment Opportunities Statement
8. ADA and Drug-Free Workplace Requirements
9. New Employee Work Eligibility Status
10. Listing of contract documents (attachments/specifications/drawings)
11. Binding Parties statement
12. Signature blocks for contractor and College President

The latest AIA Abbreviated Form of Agreement Between Owner and Contractor, may be used or the short form document developed by the System Office.

If the contract is for labor and material costing more than one hundred thousand dollars ($100,000), the latest AIA contract, Standard Form of Agreement Between Owner and Contractor, shall be used. Attached to the base contract shall be the contractor's proposal form, the Notice to Proceed, general conditions of the contract, supplemental conditions of the contract, certificate of insurance as specified in the bid documents, the index of the specifications for the project, and any other documents deemed a part of the contractual agreement.

A capital construction contract may be conditioned upon later refinements in scope and price and may permit the College in agreement with the contractor to make changes in the project without invalidating the contract. Later refinements shall not exceed the scope of the program statement contained in the request for proposals.

All contracts shall contain the following clause: Continuance of this contract beyond the limits of funds available shall be contingent upon appropriation or allocation of the necessary funds, and the termination of this contract for lack of funds shall be without penalty.
Payments

For construction contracts with phased payments, the payment schedule shall be as follows:

1. Every application of payment shall be based on a portion of the Contract sum, properly allocable to the completed portion of work, and shall be reviewed and payment authorized by the architect/engineer. A retainage of five percent (5%) shall be kept until the project is complete, except that ten percent (10%) retainage shall be used on projects fully funded by the 309 Task Force for Building Renewal, and small projects, as determined by the College.

2. When the project reaches final completion, the retainage will be paid in full.

Legal Reference: RRS 85-304 Board of trustees; powers enumerated

Policy Revised: 9/26/97
Policy Revised: 2/12/04
Policy Revised: 9/15/06
Policy Revised: 11/13/09
Policy Revised: 4/22/10
Policy Revised: 3/15/13
Policy Revised: 6/18/15