

### Capital Plan Submission Requirements

- All capital projects proposed for state funding during the FY23 - 26 planning period must be submitted individually using the new Project Template, including:
  - Large Caps proposed for GO Bond construction funding in FY 24 – FY 26 (*exception: a new template is not required for any Large Cap that received design or construction funds in this year's FY22 budget*).
  - Small Caps proposed for GO Bond funding in FY 23 – FY 26
- Institutions are encouraged to provide all relevant project backup information, and to include revised and refined information for previously submitted projects.

### Template Summary

- NEW/UPDATED FEATURES in the Project Template for FY 23-36 are detailed in [this TABLE](#).
- [Project Template](#) is an Excel workbook is organized in five separate entry tabs (following a reference tab):
  - TAB 1 – Project ID and Executive Summary
  - TAB 2 – Project Specifications
  - TAB 3 – Project Costs
  - TAB 4 – Project Funding Sources and Schedule
  - TAB 5 – Project Narrative
- Template is designed to accommodate complex projects with multiple distinct “elements”:
  - Building Elements (New Construction, Renovation, Demolition)
  - Infrastructure Elements (Parking, Mechanical, Utilities, Other)
  - Acquisition Elements (Land, Building)
- Projects do not necessarily need to contain more than one element

### General Information

- Data Entry
  - GREEN cells are for data entry; patterned GREEN cells denote drop down menus.
  - GOLD cells have formulas that pull or calculate from other data and text entered in the workbook.
  - For best results, complete the upper portion of TAB 1 before proceeding sequentially to tabs 2, 3 and 4.
- Naming Individual Project Template Workbooks
  - Save each completed project template under the protocol: “InstAcronym\_SCP21-24\_Priority#\_Version#.xlsx”
    - Examples: UGA\_SCP23-26\_LC1\_V1.xlsx ABAC\_SCP23-26\_SC2\_V1.xlsx

### Tab-Specific Instructions

- **TAB 1 – Project ID and Executive Summary**
  - In TAB 1, several GOLD cells (including narrative) are not populated until later tabs are completed.
  - REVISED FEATURE: Project type is now selected on Tab 1: Large Cap (> \$5M GO Bonds); Small Cap (<= \$5M GO Bonds). You must ensure that the budget and funding data developed in later tabs is consistent with the selected project type. Only GO bond funded projects are required to be submitted in this round of planning. Non-GO bond projects can be submitted on a rolling basis through USO Integrated Review.

- REVISED FEATURE: Institution priority is now entered on Tab 1. Enter the proposed institutional project priority within the FY23-26 plan period. Projects must be ordered sequentially within each funding group type and cannot be duplicated (i.e. you must only identify one #1 priority Large Cap project, one #1 priority Small Cap, etc.).
- REVISED FEATURE: Proposed FY for Construction is now entered on Tab 1. Enter the Fiscal Year that you propose to begin project construction:
  - Large Caps: The FY of the budget for approval of GO Bonds for construction (meaning it would be funded for design the previous FY)
  - Small Caps: The FY of the budget for approval of GO Bonds for the project
  - Non-GO Projects: The FY that you propose to fund the project and begin construction
  - Fiscal Year reference guide:
    - The USG fiscal year is July – June, with the FY beginning in July of the previous calendar year (i.e. FY 2023 begins 1 July 2022). The sample FY23 GO Bond cycle is as follows:

<i>BOR approves FY 23 Capital Budget recommendation:</i>	<i>September 2021</i>
<i>Governor recommends FY23 Capital Budget:</i>	<i>January 2022</i>
<i>General Assembly approves FY23 Capital Budget:</i>	<i>~ March/April 2022</i>
<i>Governor signs final FY23 Capital Budget:</i>	<i>~ April/May 2022</i>
<i>First potential availability of FY23 GO Bonds:</i>	<i>July-August 2022</i>

- NEW FEATURE: Select anticipated delivery method from the dropdown menu. The chosen method affects how certain project costs are estimated and calculated.
  - CM at Risk: common for most Large Cap building projects
  - Design Bid Build: common for most Small Cap building projects
  - Design Build: less common, sometimes used for infrastructure projects and less complex new construction projects

*Please contact USO REF staff if you have questions about the appropriate delivery method for your project*
- Refer to the USG Capital Plan Summary (distributed to institutions individually by OREF) to confirm previously submitted projects that have not been funded.
- Institutions are encouraged to submit documentation to support template data and narrative. Use the table at the bottom of TAB 1 to identify each submitted document.

- **TAB 2 – Project Specifications**

- For entry of all physical and functional data for projects with one element, or multiple distinct elements.
- Not all projects will have multiple elements, but to ensure proper project understanding and analytical comparability, particular care is advised to ensure the entry of multiple elements when warranted.
- Examples of multi-element projects:
  - A new construction project includes a district chiller plant that will serve multiple buildings.
  - A new construction project site requires a significant relocation of existing utilities.
  - New construction and renovation of existing space are logically combined in one project
  - A renovation includes all or parts of multiple buildings, a district chiller loop, and/or significant new/relocated parking.
  - An infrastructure project includes significant mechanical, utility, road and hardscape work.
- Project Scope Calculation
  - Buildings

- New Construction – driven by GSF entry (Tab 2)
    - Renovation – driven by GSF of selected building(s), adjusted by % entry (Tab 2)
    - Demolition – driven by GSF of selected building, adjusted by % entry (Tab 2)
  - Infrastructure
    - Parking – Driven by # spaces (surface or deck) entered on Tab 2
    - Mechanical/Utilities/Other – scope(s) described on this tab, but entered as a total project cost by element on Tab 3
    - Acquisition – driven by Acres of land/GSF entry (Tab 2)
  - For complex renovation projects, up to three individual buildings can be selected.
  - NEW FEATURE – for renovation or demolition of existing buildings, the subject building(s) must be selected by Regents Building Code using the dropdown menu, which autopopulates key building data. The list of building codes is referenced to building names (from Fall 2020 FIDC) in the “Fall 2020 FIDC” tab at the end of the workbook.
  - NEW FEATURE – If only a portion of the building’s GSF is being renovated, the total “Renovation GSF” can be adjusted by entering a value less than 100% in “% GSF in Scope”.
  - NEW FEATURE – If only a portion of the building’s GSF is being demolished, the total “Demolition GSF” can be adjusted by entering a value less than 100% in “Percentage of building to be demolished”.
  - No entry of data or text is required in an element section that is not applicable to that particular project.
  - For building projects, select the most appropriate “Primary Space Function” from the options in the drop-down menu. For renovations, select the proposed future space function.
  - For new construction and renovation projects without detailed space programs, assignable room use inventory percentages should be estimated based on best available information.
  - Narrative at the element level should be technical and oriented primarily toward informing internal USO review. It should focus on issues and information specific to the relevant element. It may be referenced in Tab 5 narrative but not be duplicated. See notes provided above the narrative boxes associated with each element.
- **TAB 3 – Project Costs**
    - For entry of project costs at an “element” level that are rolled up to a calculated overall project cost, and then automatically rounded up to a “Total Project Budget” figure.
    - Building Elements
      - New Construction
        - Cost calculation begins with the entry of an estimated base construction unit cost per GSF, EXCLUDING all soft costs, subsurface reserve, building data and technology infrastructure, General Conditions costs, and CM fees. NEW FEATURE: General Conditions and CM fees are now itemized, and are entered with a percentage (which calculates to an amount) for DBB/DB projects, and an amount (which calculates to a percentage) for CM at Risk projects.
        - Total cost is calculated by entry of estimated percentages/amounts that roll up other hard, soft, and contingency costs in a methodology similar to the BOR project budget template. If any individual percentages or the overall soft cost ratio exceed the typical ranges noted, an explanation is required in the narrative box at the bottom of the tab.
        - REVISED FEATURE – Soft cost categories have been revised and articulated, and the Project Oversight calculation has been revised to reflect the BOR project budget template. The

typical percentage range of costs have been updated for FY23-36 based on analysis of actual costs in recently completed USG capital projects.

- Typical cost ratio percentages are pre-populated in the template, but they can be edited to reflect the specific characteristics of the proposed project.
- Renovation
  - Works similarly to New Construction, but includes a field to enter a hazardous materials abatement reserve (in lieu of subsurface), and requires the entry of base unit construction cost specific to each individual building.
  - Total cost is calculated on the composite construction cost of all included buildings.
- Demolition
  - For full demolition of buildings, not for interior demolition associated with renovation.
  - Demolition costs are based on entry of two unit costs: a) building demolition and waste disposal; and b) required environmental abatement and remediation.
  - NEW FEATURE - only one existing building can be identified for demolition in Tab 2 of the revised template. If you are proposing to demolish multiple buildings, please submit separate templates, and talk with REF staff about combining them into a single project if applicable.
- Infrastructure Elements
  - Parking project costs are calculated by multiplying the number of spaces by a unit cost per space that represents full project cost (including soft costs and contingency). A summary of anticipated soft costs and contingency can be provided in the narrative.
  - Mechanical, Utility, and “Other” infrastructure project costs are entered as inclusive lump sums. Scope, components, soft costs and contingency are explained in the narrative.
- Acquisition Elements - Land and building acquisition costs are generated by a simple calculation of area (acres for land, GSF for buildings) x unit cost. Include all anticipated costs within the unit cost, and provide any necessary information in the project cost narrative.
- Cost Escalation – Although the template is designed to allow construction starts over a 3-4 year period, since the year of actual project funding is unknown, you are generally encouraged to enter estimated unit construction costs based on an FY23 start for Small Caps or an FY24 start for Large Caps. If you have sound cost estimates for the current year or base plan year, you may include nominal cost escalation, along with an explanation of your assumptions and methods in the Project Cost Narrative (3E).
- Narrative on costs should be technical and oriented primarily toward informing internal USO review. It should focus on issues and information specific to the unit and component costs of the project, particularly to explain and justify high/low unit costs and outlying cost components. It may be referenced in Tab 5 narrative but should not be duplicated. See notes provided above the narrative boxes associated with each element.
- **TAB 4 – Project Funding (and Schedule)**
  - In 4A, enter all proposed funding amounts by source, with the sum of sources equaling the total project cost. A line for narrative text is provided to describe or clarify each potential source and amount.
  - REVISED FEATURE: Non-GO bond categories have been revised and articulated to best match the most common and relevant sources. Please take extra care in identifying any proposed non-GO sources.
  - Ensure that your project scope and funding entry is compatible with the project type selected in Tab 1. Error messages will appear if Small Caps have > \$5M of GO bonds, or Large Caps have \$5M or less.
  - Large Cap Funding Availability:

- Enter the anticipated availability of any proposed non-GO funding amounts by project phase (Design, Construction, Equipment), and provide any details in the supplemental narrative.
  - Large Caps are automatically divided into a normative 3 year funding cycle for design, construction, and equipment, which is adjusted by the proposed timing of non-GO funding.
  - Do not enter multiple templates for a single project or otherwise try to actively break Large Cap GO Bonds into multiple funding years. If your project has a particular complexity that is not adequately addressed by the template, please contact USO REF staff to discuss.
  - If you seek an atypical GO Bond funding schedule due to non-GO funds availability (e.g. single appropriation, no design/equip funds), do not attempt to alter the calculated normative funding splits. Instead, please explain in supplemental narrative, or contact USO REF staff to discuss.
- **TAB 5 – Project Narrative**
    - This tab is provided for comprehensive, project-level narrative.
    - Use the element/component specific narrative blocks in other tabs for highly detailed and specialized narrative. Refer to the specialized detail where appropriate.
    - Projects with clear need and solid fundamentals are the easiest to explain and justify
    - In general, focused brevity is best
    - Avoid undue repetition
    - Take advantage of (and work within) the differentiated narrative structure:
      - **Section 5A - Executive Summary** - should be condensed from key data and narrative provided elsewhere in the template.
      - **Sections 5B, 5C, 5D, and 5E** - have been revised to provide a narrative structure that can be easily adapted and translated to the Governor’s OPB PBCS system if recommended for funding.
    - **5B – Project Description and Scope Narrative**
      - ***WHAT IS THE PROJECT?***
      - Describe the scope physical characteristics the project (including all significant components), and include the project cost and amount/source/timing of any non-GO funding
      - Stick to facts; save discussion of outcomes/benefits for the following sections
    - **5C – Importance of Project**
      - ***WHY DO WE NEED TO DO THIS PROJECT?***
      - What are the ***realistic*** outcomes that ***specifically and verifiably*** advance strategic institution and system objectives and critical institution needs:
        - Instructional/Academic Plan (capacity/quantity? quality? programs? RPG?)
        - Campus Life (RPG? Student support and well-being? Recruiting?)
        - Research (which disciplines? What activities? Sponsored? What level (faculty, Grad, UG)? New, or expansion of existing?
        - Major operating impacts (e.g. profound operating cost savings, major elimination of deferred maintenance, large scale safety/regulatory remediation). These will be the primary impact of most dedicated infrastructure projects.
      - Be as specific as possible about the realistic project outcomes, the resultant strategic objectives achieved, and the linkage between the two.
      - And, ***be objective*** – use real facts and numbers wherever you can. Specific and verifiable claims are the most compelling, but they require us to show our work.

- This is the key section for explaining the ***primary, major outcomes*** of the project, and for justifying the project ***as it is proposed***.
        - Projects have a variety of outcomes, of which some are secondary, subjective/qualitative, and/or of moderate scale. Section 5E is intended for narrative describing these types of impacts and benefits.
        - In REF review, alterations to project scope, cost, timing, and other characteristics are often modeled to optimize projects and alleviate plan funding and time constraints. Detailed analysis and explanation of plan prioritization, funding schedule/sources, project scope/complexity, and cost intended primarily for internal USO review purposes can be provided in the appropriate narrative sections in Tabs 2/3/4.
  - **5D – Urgency of Project**
    - ***WHY DO WE NEED TO DO THIS PROJECT NOW?***
    - Urgency is an extension of the Importance narrative - build on 5C to explain why the project needs to be implemented now/asap/on the proposed schedule
    - This narrative should demonstrate what makes the project more important than lower priority institution needs, or other system/state needs, ***but without specifically identifying those other needs***, unless...
    - ...you need to explain how the project is integrated in a critical path with other capital investment at your institution, or is specifically required to enable a subsequent campus project
  - **5E – Impact and Benefits**
    - ***WHAT OTHER GOOD THINGS DOES THE PROJECT ACCOMPLISH OR ENABLE?***
    - This section is designed to roll up project impacts and benefits that are not logically included in the primary importance narrative (5B) because they are:
      - Less profound in scale
      - Secondary in nature
      - Longer term/speculative
      - More subjective or nuanced
      - Difficult to objectively measure
- Use the USG’s Capital Evaluation Framework (attached below) for guidance when considering issues important to USO staff and executive review. The framework represents a feedback loop between proposed project characteristics, evaluation factors relating primarily to individual projects, and issues encountered in the assembly of individual institution projects and priorities into a multi-year system plan.

# Framework for System Capital Plan Evaluation

