



INSTRUCTIONS
FOR
PREPARING
YOUR
CAPITAL
BUDGET
Request

for

FISCAL YEAR
2020-2021

Capital Outlay Project Requests
Capital Maintenance Project Requests
and
Project Disclosures

Contents

Subject	page
2019 Timeline	2
Submittal Requirements	3
Project Forms List	4
General Instructions	5
Excel Workbook Instructions	6-15
Project Assessment for Outlay	16-17
Project Classification	18
Prioritization	19
Maintenance and Disclosures	20
Capital Maintenance Targets	21
History of Appropriations	22
Capital Outlay Scoring Criteria	23





Timeline

FY 20/21 Capital Budget Submittal *

Getting Started

February

- TBR issues annual guide with instructions and required forms
- Campuses prepare Capital Outlay, Capital Maintenance, and Disclosure submittals, including prioritized summary list (DB 71)
- TBR helps campus staff for preparing budget submittal

March 27, 2019

- Deadline for FY 20/21 Budget Submittal to TBR

Analysis

April - May

- TBR reviews projects
- Research with questions and answers
- Scoring and ranking projects

Submittals and Approvals

June 20, 2019

- Presentation to the Tennessee Board of Regents

July - September

- Submit Capital Budget Request to THEC and F&A
- Answer questions and perform additional research as necessary

January/February

- Gubernatorial recommendation

May/June

- Appropriations Bill is signed

July

- Projects are taken to the State Building Commission for project and funding approval



Submittal Requirements

Submittal Deadline: March 27, 2019

Each campus must submit both a paper (clipped, not bound) and electronic copy (Excel or Word) to:

Diane Uhler diane.uhler@tbr.edu
Tennessee Board of Regents
Office of Facilities Development
1 Bridgestone Park, Third Floor
Nashville, Tennessee 37214
(615) 366-3982

Electronic and Paper Copies: (all on 8½” x 11” paper (one-sided) and as an email attachment)

- One (1) DB-71 form for the prioritization of all projects (List (DB71))
- One (1) Project Workbook, DB70, for each project
- Other required documents described in the section “Project Assessment Narratives – for Outlay projects.”
- Relevant illustration and photographic images may be included if printed on 8½”x11” paper and captioned to clearly explain the specific content and relevance. These should be added as Appendixes to the end of the workbook. Pictures can be saved as JPEGs and then included.

Include in the subject line of your e-mail message, the words “capital budget request from” followed by your institution name. (example: Capital Budget Request from DSCC)

Budget Guides and Workbooks can be found at: <https://www.tbr.edu/facilities/capital-budget>. -- on the “Guide Documents” sub-page.

The THEC Space Guide Model can be found at: <https://www.tbr.edu/facilities/physical-facilities-inventory-and-survey>. -- on the “Physical Facilities Inventory & Survey” sub-page.

Capital Outlay: Institutions are asked to submit only one (1) project for consideration. THEC will review and score on 5 criteria – State Goals and Drive to 55 (22 - 28 pts.), Strategic Plan and Campus Master Plan (18 pts), DB70 (28 pts.), Space Needs (24 – 26 pts), and External Funding (8 pts). Full list of assignable points listed on Page 22 of this document.

Capital Maintenance:

Request projects totaling in cost within the institution’s Annual Renewal Target (Page 19) with a list of the projects in order of the institution’s priority (on DB71) and full documentation of each project. Institution’s projects should be up to, but not more than the Annual Renewal Target for the institution.

Disclosure: Disclose any number of projects with full documentation of each project. Projects funded by TSSBA funds can only be disclosed during the annual budget process, not in the quarterly submittal.



Project Forms and Documents

Project Workbook forms	Capital Maintenance Project	Capital Outlay Project	Disclosed Project	page
Project Summary list (DB71)	required	required	required	5
DB-70 Project Request, 3.1 Fixed-format one-page summary of project name, brief description, total cost, funding objective, and requested amount.	required	required	required	8
Project Support Documentation, 3.2 and 3.3 Fixed-format two-page summary of project scope, justification, facility history, cost basis, program impact, schedule, and existing conditions.	required	required	required	11
Outlay Documents				
Introduction, 0 Summary sheet for project		required		6
State Goals, 1.1, 1.2, 1.3 Fixed format three-page summary of Complete College Tennessee Act and the Drive to 55 initiatives		required		6
Enrollment Data, 1.4 Fixed format two-page summary providing historical and projected counts of student and faculty supported by the project		required		6
Master Plan and Project Development. 2.1, 2.2 Fixed format two-page summary linking project with the institution's master plan and space needs		required		7
Schedule of Movable Equipment, 3.4 Fixed-format list of items to be purchased within the project.		required		11
Business Plan, 3.5 Fixed-format defining costs to maintain building		required		11
Space Needs, 4.1 Fixed-format summary of THEC Space Guidelines, Facility Assessment, and Migration Plan		required		12
Tabulation of Affected Space, 4.2 Fixed-format for space needs analysis of the square footages of the various classifications of space to be renovated or constructed		required		13
Architectural Program, 4.3 Architectural Program Outline		required		13
External Funding, 5.1 Required for any project utilizing funds other than appropriated Capital funds or for Match Fund Plan for Capital Outlay projects		required	required	14
Architectural Program, 4.3 Full architectural program submitted on a jump drive		required		13
Appendix A 3 required documents attached to end of Excel workbook		required		14
Appendix B 2 optional documents attached to end of Excel workbooks		optional		14
Multi-Phase Project Grouper, X.1 For any project with a mix of new construction and renovations		optional		14



General Instructions

The three (3) **THEC** Excel workbooks (Outlay, Maintenance, or Disclosure) for Project Documentation (DB70) and the Capital Budget Summary (List) can be downloaded from our website:

<https://www.tbr.edu/facilities/capital-budget>.

To begin a project: When you first open a project workbook, name it with a specific, identifying name. You will need to complete a separate workbook for each project you submit.

Sheet and cell protection:

Cells in which you are expected to enter information are not shaded yellow. Each sheet is also password protected, locking cells that should not be edited.

Summary List: Required for all submittals

The **List (DB71)** sheet is designed to serve as a consolidated list for all classifications. You will list all your projects, in priority order according to the type of project, **O**utlay, **M**aintenance, or **D**isclosure. You will not need to prioritize Disclosures, only list them.

1. Put the name of the institution in the space provided
2. Enter type of project, **O**utlay, **M**aintenance, or **D**isclosure
3. Enter priority
4. Enter project name, and
5. Enter project cost,



Project Workbook - Developed by THEC and required for all projects

0. Page –Introduction

This is a one-page summary of your Capital Outlay project, listing pertinent information at a glance.

1. State Goals and Drive to 55 - required for all Outlay projects

Four (4) page format reflecting the priorities of the Complete College Tennessee Act of 2010 and the Drive to 55 Initiative.

Page 1.1 – State Goals

- A. Demonstrate how the project supports the goal of “increasing the education attainment levels of Tennesseans.”
- B. Demonstrate how the project advances the state’s economic and workforce development goals.

Page 1.2 – Institution Mission and Goals (not a requirement for TCATs)

- C. Demonstrate the alignment between the institutional mission and the proposed project.
- D. Community Colleges need to describe how the project advances the institution’s strategic plan.

Page 1.3 – Academic Program and Credential Production

- E. Identify the specific academic programs directly served by the proposed project. Provide details about the programs and why they are a priority for the campus.
- F. Describe how the project will affect academic programs on campus. What unique strengths will be enhanced by the project? Will credential production be expanded, more efficient, or of higher quality as a result of this project? If an institution is seeking to increase credential production, institutions should detail how additional students will be recruited into the academic programs.

Page 1.4 – Enrollment Data

- A. Worksheet providing historical and projected counts of students and faculty for the academic credentials supported by the proposed project. Provide the number of majors directly served by the academic programs affected by the proposed project for the past 3 academic years and projected figures for future years. This worksheet focuses on students majoring in the academic programs served by the proposed project. Not included in this worksheet are students that are taking classes in the academic program but have a different major on campus. Those students may be described in 1.4B.

Example: on following page



Academic Program Information - EXAMPLE							
Academic Program:	Marketing						
Degree:	BBA						
10 Digit CIP Code:	35.25.1401.00						
Academic Program Data	AY 2016-17	AY 2017-18	AY 2018-19	AY 2019-20	AY 2020-21	AY 2021-22	AY 2022-23
FTE Faculty	7	8	8	9	9	10	10
Fall FTE Enrollment - On Ground	48	50	56	64	68	72	76
Fall FTE Enrollment - Online	13	19	21	24	26	27	28
Graduates	59	63	70	80	85	89	95

Cells in gray are projections by the institution.

- B. Describe number of students or program participants who will directly or indirectly be served by the project. Describe FTE supported by the project, number of majors in programs associated with the project, number of people impacted by the projected research, and/or number of program participants affected by non-formula projects.

Data sources that may help address the above descriptions included, but are not limited to:

- THEC *Master Plan Summary for Tennessee Postsecondary Education 2015-2025* <https://www.tn.gov/content/dam/tn/thec/bureau/research/other-research/master-plan/MasterPlanSummary.pdf>
- THEC Mast Plan Postsecondary Education 2015-2025 https://www.tn.gov/content/dam/tn/thec/bureau/research/other-research/master-plan/MasterPlan2025_0418.pdf
- THEC/Boyd Center for Business and Economic Research labor supply/demand reports (e.g., <http://cber.haslam.utk.edu/pubs/mnm130c.pdf> or <https://www.tn.gov/content/dam/tn/thec/bureau/research/other-research/supply-demand/Academic%20Supply%20and%20Occupational%20Demand%20-%20Final.pdf>)
- Tennessee Department of Labor and Workforce Development Occupations in Demand reports (<https://www.tn.gov/workforce/topic/occupations-in-demand>) and
- Data provided by the Tennessee Department of Economic and Community Development’s Center for Economic Research in Tennessee (CERT) (<https://www.tn.gov/ecd/>)

2. Campus Master Plan and Project Development - required for all Outlay projects

Two (2) page format reflecting project as related to the campus master plan, space needs, and the development of the project.

Page 2.1 – Campus Master Plan

- A. Describe how the project is defined in the master plan. Note specific references, with links and page number of the plans. List the MP goals related to the project and provide page and/or link to the location in the MP. If multiple institutions are partnered in the project, provide reference for each.



- B. Describe MP priority for the project (provide reference page number in MP and/or link). Explain the actual progression of outlay projects as they relate to the priorities defined in the MP, and why it is a priority for this fiscal year.
- C. List how facility inventory and future space needs affects project’s architectural program
 - Space Needs: How are institution’s master plan existing facility inventory and future space needs related to the project defined in the MP? Provide specific reference in the MP, and/or cite specific space analysis reference.
 - Physical Facility Survey (PFIS): Describe the impact of the campus existing building conditions that affected the development of the project in the master plan

Page 2.2– Project Development

- D. Describe the planning influences, conditions, refined academic goals, or facility program goals that support the development of the proposed project from the project shown in the MP. Describe similarities and differences between the proposed project and the project shown in the MP, and the planning conclusions that produced the proposed project.
- E. What is the status of the architectural programming for the project? Is a detailed program complete? Was it completed in-house, or by consultant, or by master planner? (A full architectural program includes detailed requirements for each space in the project. An outline or summary program includes only a list of programmed spaces with space name, capacity, primary use, and net area, and a total of net/gross for the project.)

Provide a hardcopy a jump drive copy of a full architectural program, noting under section 2.2E.

- F. Provide an assessment of alternatives to the project that were considered during the planning process to meet the academic and space needs of the institution. Why is the proposed project the preferred solution?

3. Project Description and Impact on Campus

Workbook pages 3.1 – X.1 provides and overview of the project, serves as confirmation of the campus’s understanding of the project, and confirms the level of pre-planning conducted in advance of the submittal.

Page 3.1 – DB70

Part 1 – Project Identification

Fill in the institution name where indicated.

Project Name: The individual building name should be part of the Project Name in the style of naming the building first then what you intend to do to it, such as “Fulton Building Air Conditioning Upgrade.”

Part 2 – Fiscal year

Fiscal Year should already be filled as “2020 / 2021”.

Part 3 – Classification, Designer Requirement, and Square Footage

There are three (3) Classifications with a box for each, plus a fourth box for “Designer Required”.

Put an “X” in the box for the type of project and for a Designer selection.



Fill in values for square footage and cost/s.f. under **New** construction and **Renovation**. Cost estimates should be based on discussions with OFD Project Management staff or a licensed design professional. The cost per square foot is based on gross square footage of the building construction only, excluding site & utilities and special built-in equipment. The values put here feed a calculation in cell I29, in the upper right of Part 5. These figures should match throughout the project workbook.

Part 4 – Project Description

This is for overview of the scope of the project. Concisely describe the Work to be performed. Do not repeat the project name, nor dwell on justification, historical data, or the benefits derived. Save the details for the Project Support Document or the Program Statement.

Part 5 – Project Costs

The two columns – “**Total Project**” and “**Allocation**” – for most project requests are the same, and the Allocation column has been set up to automatically copy the Total Project column unless you override that feature by filling in other values. Fill in only the amount being requested for this fiscal year.

Building Construction should be reasonably close to the Estimated Construction Cost calculated in cell I28 from the square foot and cost values entered in Part 3, and typically only covers the cost of normal building construction including style and basic functions but omitting special system requirements.

Site & Utilities should include demolition, parking lots and roads, and other site amenities.

Built-in Equipment should include special air-handling units like fume hoods, special plumbing such as gas and water for laboratories, casework, kitchen equipment, and other special system requirements.

Bid Target: Is locked with embedded math to sum of the preceding three lines.

Contingency: Is locked with embedded math.

M.A.C.C. should be rounded to 5 or 10 thousand and allow a contingency of approximately 5% for new construction and 10% of the Target for renovations. Once the M.A.C.C. is entered, contingency values will calculate and display in their respective cells.

Fee for the designer has been set up to calculate automatically, but is dependent upon several factors:

- Renovation:** cell I36 contains the word “**Renovation**”, and the fee will calculate at 1.25 times the base formula of 35/LogP. In this context, any repairs and replacements are “Renovation”.
- New Construction:** put “New” in cell I36. The base formula will be calculated un-multiplied.
- Fixed:** put “Fixed” in cell I36, and overtyping Fee value cell(s) with the fixed amount.
- Multi-Part:** Contacting TBR if using.

Movable Equipment should be supported by a list in the “Equip” sheet.

1st-Other and **2nd-Other** are available for special costs, such as land acquisition, commissioning, scheduling, moving expenses, special consultants. In the column (F) with the other line-item captions, provide an appropriate, concise, descriptive caption. Surveys, geotech, and other basic design investigations are normally included in Miscellaneous but can be separated into these “other” lines. Commissioning is needed for all new buildings, major renovations, and HVAC projects. Use \$1.50/SF as a rule of thumb when calculating Commissioning fees.



Admin. & Misc. Is locked with embedded math to equal the Total Cost below, minus the sum of the lines above. A guide would be approximately 50% of the designer’s fee, with a minimum of \$10,000.

Total Cost should be rounded to 10 thousand, allowing a suitable level of miscellaneous costs. The total cost should not be a negative number.

Part 6 – Funding Request

- State funds:** total project cost will automatically populate from “Total Cost” in Section 5, unless costs are entered in the next 2 lines of this section (see below).
- Federal Funds:** enter any federal funds that will be put into the project.
- Local and Institutional Funds:** entry any other funds included in the project besides state funds or federal funds. This is used for Disclosures and for the Match required for Outlay projects. Describe funding source in cell 47H.

Part 7 – Previous SBC Approved Funding

Normally, enter nothing here. This Part is used only if This Request is for additional funding to continue an existing SBC project. Do not insert additional rows, as these may foul math functions and pagination. Funding information on existing projects is available through the Project Information Tracking System at <http://pits.tbr.edu>. (can use “pitsguest” to sign in)

Part 8 – SBC Action

If requesting or disclosing funding for an existing SBC project, provide the SBC project number.

Part 9 – Designer

It is not necessary to fill in anything; however, if the request continues an existing SBC project, the name of the designer already assigned to the project by the SBC should be filled in.



Page 3.2 – Project Support Documentation, Sheet 1

The **Project Support Document** is required for all projects and provides a brief narrative of the project. Extended narratives may be included as appropriate. The following information is required:

- A. Architectural Program Scope: Provide a description of the work to be included in the project. For roof replacements, indicate the area of the roof if only a portion of a total building's roof. Avoid repeating the title or justifying the project.
- B. Evidence of Physical Facility Need: Describe the deficiency being remedied by the project, whether it is lack of adequate space, inadequate conditions, growing demand, systems in need of repair, etc. The focus is on space needs, space condition, or other physical factors that create the need for the project.
- C. Historical Profile: Provide history of the facility and program. On existing structures, provide dates of original construction, additions, and renovations, etc.
- D. Summary Results and Date of Physical Facilities Survey: Include a current facilities assessment (e.g., a Facility Survey Score) and the general condition of any existing building that will be impacted by this project, including any buildings that will be vacated after project completion, renovated or demolished. Identify condition of the major systems of relevant buildings (i.e. HVAC, roof, envelope, and others) and identify which ones will be addressed by the project. Also, specify the date that the survey was completed. The summary survey data sheets should be attached in **Appendix A.3**.

Page 3.3 – Project Support Documentation, Sheet 2

- E. Cost Basis for Construction Estimate and Other Costs: Describe method for determining estimated construction costs with source data and similar project(s) information. Include basis for determining soft costs, AV, IT, commissioning, specialty consultant, programming, and administrative costs.
- F. Project Schedule: Provide a preliminary schedule for the project, with realistic key milestone dates and phases as appropriate.
- G. Campus or Architectural Program Impact: Describe any other costs or program related impact of the project otherwise not described in this section.

Page 3.4 – Schedule of Movable Equipment

- A. Itemize and estimate the cost for equipment planned in the project.
- B. Provide a narrative explaining the basis for estimating the equipment costs. Do not use per s.f. estimates.

Page 3.5 – Business Plan

- Define on-going costs to maintain the building and its academic programs/research.
- Provide the existing and future total salaries, and existing and future position counts in the upper fields.



A. Operations Overview

- Provide an overview of the financial plan associated with the operations of the programs and facility described in the project.
- Summarize the annual net additional costs for programs, staffing, operations, utilities, and maintenance costs. Costs should be consistent with planned student enrollment increases, staffing increases, and additional net area created from the project.
- Describe financial efficiencies achieved with the project. How will they be realized (demolitions, shared spaces, funding sources, etc.)? If this is a new planned replacement building for planned demolition(s), quantify the financial benefits, or describe other opportunities created with the project. Does this project represent a new “replacement building” that is no more than 10% more square feet than a building proposed to be demolished?

B. Revenue Sources, Fundraising, and Partnerships

- Will there be a fundraising campaign or other community/industry partners that will be specifically associated with this project, and what are the specific funding goals?
- What are the revenue sources expected to defray additional on-going costs, such as estimated additional tuition, grants, or other sources? Anticipated funding and tuition income should be supported by the academic strategic plan for credential production and enrollment increases.

4. Space Needs – THEC Space Guideline, Facility Assessment, and Migration Plan

Appendix A2 – Attach completed THEC Space Guidelines workbook.

Page 4.1 – Space Needs

Capital project proposals include a space-needs analysis in the spreadsheet page 4.1, Space Needs. In the upper right, provide the name of the person or firm that completed the THEC Space Guideline, and the date for the “Existing E&G s.f.”.

- Complete the full THEC Space Guide, Appendix A2, based on the entire campus data for the campus where the project is located (not project data), and then transfer the summary totals to the 4.1 Space Needs sheet, “Modeled” and “Exist E&G SF.” Complete 4.2 tab “Tabulation of Affected Space and determine the “Net Change” column on sheet 4.2. The “Net Change NASF” column on 4.1 Space Needs sheet will automatically populate from the data in column “H” on 4.2.
- Complete the narrative box “B” in the 4.1 Space Needs sheet. The narrative may address space needs for formula space, or space needs for non-formula space. Include relevant space needs documented by the Master Plan. The proposal may include any other space utilization studies if appropriate. If the Space Guidelines do not apply to the project (e.g., for non-formula units) or only partially applies, proposals should provide the details of the identified need outside the guidelines that drives this project.
- Provide a migration plan for buildings and programs impacted by the project. It should include the future planned use of space vacated as a result of new construction or renovation. In the case of renovations, describe any temporary provisions for dislocated occupants. Clarify how much of the migration plan and associated construction are included in the scope of the current project.



Page 4.2 – Tabulation of Affected Space

Fill in the total net areas of the project according to room use category, and construction type (demolition, renovation, or new construction). Then fill in the gross areas associated with each type. The efficiency of the project (net/gross) will calculate automatically. The totals in the column “Net increase” are linked to the corresponding space categories on sheet 4.1 Space Needs, under the column “This Project – Net Change NASF.” The total net and gross areas, for new construction and renovation, with calculated multiplier percentage grossing factor, should match the net/gross on the DB70 sheet.

Under the “Demolition” column, include only net area formula space that is to be demolished as part of the project.

Provide an explanation of the data provided, if needed, in the lower text box “Explanation of Data.” Please list the buildings to be demolished as part of the project and provide the names of buildings included in the renovation spaces.

Page 4.3 – Outline Architectural Program

Provide an outline architectural program. This information provides more details about the project and is an indicator of the institution’s advance planning efforts and understanding of the program.

The template provided in the workbook may be used, or you may create your own format. The template can be duplicated for separate programs for new and renovation projects. The total net areas should match the net areas provided on the DB70 and other space data such as 4.2 Tabulation of Affected Space.

The outline should include:

- Each space name,
- Space room use code,
- Brief activity description of the room,
- Net area per space,
- Occupancy count of room,
- Number of spaces,
- Total occupancy count, and
- Total net area of each specific space type

Each formula space type should have a total for each formula space type. (Example: 1 classroom is 2,000 net s.f., 6 total classrooms of this space type, 12,000 net s.f. total for that space type. Then there is also a subtotal for all classroom spaces.)

Provide a full architectural program as a hardcopy and on a jump drive. Note that program is complete on sheet 2.2E



5. External Funding

Required for all Outlay and Disclosure projects.

Page 5.1 – External Funding

Enter amounts of match funds by fund type committed for the project on sheet 5.1. The total project will populate from cell E41 of the DB70. For your institution type, fill in the percentage of the total cost for New Construction. All data will auto—calculate for points. If the project is a mix of new construction and renovation, the basis for the match required is the total project cost for each portion of the project.

[Sheet X.1, Grouper](#) is required for all projects with a mix of new construction and renovation. Enter the total project cost for each type of construction (new or renovation) to calculate the percentage mix of the project, and min/max required for the match on sheet 5.1.

All institutions including TCATs must fill out the top section of sheet 5.1 if funding sources other than outlay is pledged for the project

Appendix

Specify additional appendix documents on the “0, Introduction” sheet. Please cross reference where Appendix Document support specific section in the submittal.

To add appendix documents, add tabs after “X Grouper.” JPEG files may be inserted in the spreadsheet. You can convert PDG’s or other format files to JPEG for easy inclusion. Be sure to size the image approximately or check the “fit sheet on the one page” to print correctly. The THEC space Guideline may be inserted either as a spreadsheet tab, or as an object or JPEG. Please format the printing.

Appendix A – Required Documents

All the following documents are required for all outlay project submittals in the workbook, except A1 is not required for TCATS.

A1 Institutional Mission Profile (not required for TCATs): Institutional Mission Profiles are approved by the THEC Commission each year after being approved by the TBR board. The FOCU Act emphasized the importance of institutional mission profiles and further directed the annual submission of profiles by each university and community college. Mission Profiles are utilized to minimize redundancy in degree offerings, instructional locations, and competitive research. The profiles are also used in the outcomes-based funding formula. Through outcomes-based formula weighting factors derived from the mission differences, institutions are funded based on their mission-defined production of graduates, their breadth of undergraduate and graduate programs, and their research capacity.

A2 THEC Space Allocation Guidelines: Provide the completed “THEC Space Guidelines” workbook in the outlay workbook for your institution type. The totals at the end of the workbook should correspond to the totals entered on sheet 4.1, Space Needs, under the “Modeled” column.

A3 Facilities Survey Summary Sheets (PFIS): Attach summary sheets of directly affected buildings in the project, and/or related existing buildings not in the project

Appendix B Supplemental Support Documents

B1 Supplemental Drawings, such as master plan drawings, site plan, floor plans, and massing models. They will serve to support the narratives on Sheet 2.2 D, E, and F.

B2 Other optional support documents (not graded), such as support letter



Capital Outlay Evaluation Criteria and Objectives

1. Capital projects will be linked to State goals and the Drive to 55, including.
 - a. Increasing degree production, particularly at the undergraduate level
 - b. Enhancing research and/or workforce development
 - c. Identifying and addressing education and workforce needs of local and regional economies
 - d. If applicable, emphasizing focus populations as identified in the outcomes-based funding formula. Focus populations are defined as:
 - Low income,
 - Adults age 25 and over, and
 - for Community Colleges only, academically underprepared.
2. Capital projects should enhance campus mission and distinction and should be envisioned in the institution’s current Master Plan.
3. Boards should develop project proposals that include academic planning and architectural programs, which may include early ideas regarding the uses and layout of buildings impacted by each project.
4. Institutional facility needs and condition, as analyzed by the THEC Space Planning Guidelines, are a factor in determining institutional priorities.
5. External funding should be a factor in project priority but should not inappropriately determine institutional or system priorities. The capital match component identifies a minimum percentage of project costs to be borne by the institution, ideally from private fundraising. Non-state funds raised above the minimum percentage garner additional points in the scoring process

Capital Outlay Scoring Matrix The points assigned to each evaluation criteria are detailed below. A detailed breakdown of the points assigned to each section is attached at the end of this document.

	All Universities, CC, and Nonformula Units	TCATs
Prioritization Criteria		
1. State Goals & the Drive to 55	22	28
2. Strategic Plan and Campus Master Plan	18	18
3. Project Description and Impact on Campus	28	28
4. Space Needs	24	26
5. External Funding	8	0
TOTAL	100	100



External Funding (Match) Thresholds for Capital Outlay Projects

Projects submitted by all Community Colleges must meet a minimum match requirement to be evaluated. The minimum match requirement differs by institution and project type, as detailed below. There are no match requirements for TCATs. The external funding score will be based upon a ratio of the project's minimum match requirement to the project's maximum scorable match, meaning that a project with only the minimum match will receive zero points, but, as a project's match approaches the maximum scorable match level, points will accumulate proportionately up to the maximum score.

Matching funds may include gifts, grants, plant funds, student fees, and other non-state sources.

No more than 1/3 of the total pledged match shall consist of Tennessee State School Bond Authority (TSSBA) financing, the term of which shall not exceed five (5) years.

The match component for new construction project (not renovations) shall consist of gifts to the institution in the following percentage of the total pledged match:

- 30% for all Community Colleges and non-formula Units
- There is no match requirement for TCATs

Match Requirement of Total Project Cost FY 2020-21 (3)						
Project Type	Community Colleges and Nonformula Units		Univ.: Moderate Research/Masters (1)		Univ.: Higher and Highest Research (2)	
	Min	Max	Min	Max	Min	Max
Major Renovation - no gift minimum	0%	5%	2%	10%	4%	15%
New Construction (Includes gift minimum as noted below)	2%	10%	5%	15%	10%	25%
New Construction Gift Minimum	30% of 2%	30% of 10%	40% of 5%	40% of 15%	50% of 10%	50% of 25%



Project Classification

All projects submitted for consideration for the annual capital budget request and disclosures must be submitted in one of the following three classifications:

Capital Outlay

Definition: New buildings or structures, utility and/or service systems, land acquisition, site improvements, appurtenances, or permanent betterments which materially extends the useful life and improves or changes the functional use of a facility, normally meeting one or more of the following criteria:

- ❑ **Renovation**, restoration, and/or replacements, which result in a change in use, with the end product qualifying as E&G space for the PFI.
- ❑ **New Facility or Addition** to Existing Facility, which creates new E&G square footage.

Former project requests, if still a priority need to be resubmitted.

Be prepared to show proof of match fund availability.

Capital Maintenance

Definition: Major non-routine repairs and replacements for E&G space unrelated to new construction, for

- ❑ **Repair** to restore a facility or infrastructure to its former, better state without a change in use.
- ❑ **Replacement** of exhausted or damaged utility systems, roofs, exterior fencing and lighting, infrastructure, and paving.
- ❑ **Removal** of hazards such as asbestos encapsulation or abatement.
- ❑ **Alteration** of safety or accessibility features, to rectify code deficiencies.
- ❑ **Modernization** or **Update** of obsolete building systems, for continuation of educational program.
- ❑ **Corrections** to bring buildings or systems into compliance with newer codes or standards.

Out-year portions of partially funded projects will not be requested by TBR unless the institution submits a request. Because maintenance needs can change much in a year, a completely new list is produced each year.

Disclosure

Projects proposed from School Bonds and other sources

Definition: Any project which adds or deletes square footage and will receive funds from a source other than Capital Appropriations, such as:

- ❑ **Tennessee State School Bond Authority** financing (bonds or commercial paper)
- ❑ **Plant funds (auxiliary):** from bookstore, food service, parking, health care, athletics, etc.
- ❑ **Plant funds (non-auxiliary):** balances from appropriations and tuition allotted for improvement projects
- ❑ **Land sale proceeds:** applicable only to work normally eligible for capital outlay funding
- ❑ **access fees:** (e.g., parking, technology)
- ❑ **student fees**
- ❑ **gifts:** donations, bequests, foundations
- ❑ **local funds:** (city or county participation)
- ❑ **federal funds:** grants and matches



Prioritization

Capital Outlay

The Prioritization Formula applied to candidate projects gives points for:

❑ **CCTA & Drive to 55 narrative: 25 points**

Each project shall include a narrative on how the project supports the principles of the Complete College Tennessee Act and the Drive to 55 initiative

❑ **Master Plan and Strategic Plan narrative: 25 points**

Each project shall include a narrative linking project with strategic plan and campus master plan.

❑ **Match**

For Community Colleges only: 0% - 5% for renovations and 2% - 10% for new construction, with 30% of the new construction match being gifts.

Capital Outlay Match

Each project will require match funds to be considered for funding. Match funds may include private gifts, grants and institutional funds. Each institution will be required to submit a plan outlining the type and timeline for match funds when the project is submitted for consideration.

Capital Maintenance

Frequently, preliminary analysis results in high-cost projects being divided up and low-cost projects being combined.

A Maintenance Target value is formulated from replacement value and age of facilities.

The total of project submitted should not be more than the annual renewal target. They need to be submitted in priority order.

Additional prioritization is accorded to type of work in this order:

- ❑ Building Codes & Safety
- ❑ Roofs
- ❑ Mechanical & Infrastructure
- ❑ Building Envelope, Parking, and Paving
- ❑ Interiors & Finishes

The Annual Renewal request will be near the TBR's annual target. A nearly equal value of projects is further listed as Unmet Maintenance Needs.

Please do not mix different types of work in the same project. For example; a roof project should not also be a landscaping or interior renovation project.

Types of work:

- Roofing
- Mechanical/Bldg. Systems
- Interior Updates
- Exterior Updates
- Infrastructure Updates
- Parking and Paving

Disclosure

No priority order is required for these projects.

All construction of new buildings or structures more than \$100,00 must be disclosed. All major maintenance projects more than \$500,000 must be disclosed.

The disclosed projects are acknowledged when the budget is approved. If the campus wants to proceed with a disclosed project, the campus needs to request that the project be brought to the State Building Commission (SBC) for approval.

Funding must be in place when the project is taken to the SBC.

A disclosed project remains disclosed for 2 years.

Opportunities: *Budget Submittal and Quarterly Disclosures during the year, as well as the Annual Disclosure Amendment in March.*

Project of significance and projects using TSSBA funding will need to be submitted with the budget or budget amendment, not with the quarterly submission.

Exception:

- **Maintenance Emergencies** may be initiated immediately but must be disclosed in the subsequent quarterly submission.



Maintenance Request Requirements

A capital maintenance project is a rehabilitation project that keeps a facility or asset in efficient operating condition or is needed to restore a facility to an acceptable condition but does not include programmatic renovation, demolition, or new construction. These projects are of a non-recurring nature, beyond the scope of ordinary repairs, and do not appreciably prolong the previously estimated service life or increase the estimated value of the building

In general, ordinary repair and maintenance projects, and other projects below \$100,000, will be funded through operating appropriations rather than capital maintenance.

Disclosed Project Requirements

Disclosures are projects funded from sources other than state appropriations.

All capital improvement projects in excess of \$100,00 must be disclosed to THEC. All capital maintenance projects in excess of \$500,000 must be disclosed to THEC.

Capital Improvement and Capital Maintenance are defined by the State Building Commission (Policy Item 2.01).

Quarterly Submission

Should unforeseen opportunities or needs arise that require disclosure during a fiscal year, governing boards may disclose such projects each quarter. TBR will request quarterly submissions for disclosed projects in June, September, December, and March for projects intended to be initiated in the three months that follow. *THEC may request TBR to hold a disclosed project of significance – one that requires master plan guidance- to the following fiscal year submission.*

Projects funded by TSSBA funds can only be disclosed during the annual budget process

Emergency Projects

If an event occurs which requires a campus to immediately engage in a capital project exceeding the thresholds to avoid immediate danger to persons or property or when essential and indispensable to campus operations, institutions may initiate the project immediately but must disclose it in the subsequent quarterly submission. Emergency performance of capital improvement or renovations are subject to appropriate State Building Commission, Department of Finance & Administration, and other state policies and procedures, including review and approval.



Capital Maintenance Target Funding by Institution

OFD endeavors to craft a Capital Maintenance recommendation up to the systemwide Annual Target.

Institution	2015 Target	2016 Target	2017 Target	2018 Target	2019 Target
ChSCC	3,984,524	4,102,314	4,206,607	4,295,830	4,333,184
CISCC	2,165,773	1,879,733	1,898,720	1,914,741	1,930,763
CoSCC	1,988,548	1,703,954	1,738,030	1,772,107	1,802,406
DSCC	1,109,694	1,161,635	1,223,983	1,257,984	1,281,407
JSCC	1,760,272	1,829,290	1,855,519	1,891,363	1,921,981
MSCC	1,401,057	1,448,734	1,498,480	1,548,225	1,579,335
NaSCC	2,118,586	2,172,308	2,255,231	2,403,594	2,488,232
NeSCC	1,108,312	1,158,470	1,202,498	1,246,526	1,334,276
PSCC	2,550,198	2,849,532	3,304,635	3,398,954	3,493,273
RSCC	1,957,393	2,132,796	2,269,367	2,354,253	2,451,952
STCC	4,035,809	4,263,555	4,415,210	4,561,906	4,708,601
VSCC	2,065,655	2,143,739	2,375,133	2,464,148	2,553,162
WSCC	3,134,616	3,162,956	3,464,794	3,570,989	3,689,795
colleges	29,380,438	30,009,016	31,708,207	32,680,618	33,568,367
TCATs	8,392,889	9,189,481	9,385,148	9,617,105	9,774,867
TOTAL	37,773,327	39,198,497	41,093,355	42,297,723	43,343,234

2019 System Statistics

	Education & General gross square footage E&G GSF square feet	Average Age years	Median Age years	Building Replacement Cost dollars
Colleges	8,060,763	34.77	36.5	2,003,355,270
TCATs	2,277,758	37.26	40.0	504,542,840
TOTAL	10,338,521			2,507,898,110

Formula for Annual Target Funding

Source - FM Data Monthly, August 1997

$$\frac{2}{3} (\text{Building Replacement Cost}) \times (\text{Building Age} / 1275)$$

2020-2021 Target Funding for Capital Maintenance

\$43,343,235



History of Appropriations

Total amounts appropriated by the State of Tennessee to TBR capital projects
(FY18/19 gubernatorial recommendation not yet appropriated)

FY19/20 Gov Rec			
Fiscal Year	Outlay	Maintenance	Total
2018-2019	41,240,000	23,790,000	65,030,000
2017-2018	153,337,000	26,120,000	179,457,000
2016-2017	29,062,000	15,790,000	44,852,000
2015-2016	44,570,000	9,450,000	54,020,000
2014-2015	61,830,000	11,150,000	72,980,000
2013-2014	85,520,000	10,300,000	95,820,000
2012-2013	1,000,000	15,516,000	16,516,000
2011-2012	0	7,640,000	7,640,000
2010-2011	120,000,000	8,520,000	128,520,000
2009-2010	0	3,210,000	3,210,000
10-year total:	536,559,000	131,486,000	668,045,000
10-year average:	53,655,900	13,148,600	66,804,500

Notable Facts:

- 18/19 Outlays is for 1 ranked project and partially for another ranked project.
- 17/18 Outlays is for 8 ranked projects and four projects not ranked.
- 16/17 Outlays is for 4 unranked projects and 8 Drive to 55 Capacity grant projects.
- 15/16 Outlays is for 2 ranked projects.
- 14/15 Outlays is for 2 ranked projects.
- 13/14 Outlays is for 2 ranked projects and 1 one project not ranked, Nissan Education Facility.
- 12/13 Outlay is for RSCC Oak Ridge Campus.
- 11/12 Outlay is zero.
- 10/11 Special Outlay for 13 projects (FMAP Funds), four of which were on CO List.
- 09/10 Outlay is zero.
- 08/09 Outlay is zero.



2020 - 21 Capital Outlay Scoring Criteria		Univ CC Non- Formula	TCAT
1. State Goals & the Drive to 55		22.0	28.0
1.1	State Goals		
	A Increasing the Education Attainment Levels:	3.0	5.0
	B Economic and Workforce Development:	3.0	5.0
1.2	Institutional Mission		
	C Alignment of Mission and Project:	3.0	3.0
	D Advancement of the Strategic Plan:	3.0	3.0
1.3	Academic Program		
	E Academic Programs Served by the Project:	3.0	4.0
	F Academic Programs and Credential Production:	3.0	4.0
1.4	Enrollment Data		
	A & B Academic Programs - Support Documentation:	4.0	4.0
2. Strategic Plan and Camps Master Plan		18.0	18.0
2.1	Campus Master Plan		
	A Master Plan - Project Description, Goals, Links to Campus Master Plan:	3.0	3.0
	B Master Plan - Priority for the Project:	3.0	3.0
	C Master Plan Space Needs - Facility Condition:	3.0	3.0
2.2	Project Development		
	D Campus Master Plan & Project Development:	3.0	3.0
	E Programming and Planning - Status, Progress:	3.0	3.0
	F Alternatives Considered to Meet Objectives:	3.0	3.0
3. DB70		28.0	28.0
3.1	DB70	5.0	5.0
3.2	Project Support Documentation - 1		
	A Program Scope:	3.0	3.0
	B Evidence of Physical Facility Need:	4.0	4.0
	C Historical Profile:	1.0	1.0
	D Summary Results and Date of Physical Facilities Survey:	2.0	2.0
3.3	Project Support Documentation - 2		
	E Cost Information - Basis for SF Cost and Other Costs:	4.0	4.0
	F Project Schedule:	2.0	2.0
	G Campus or Program Impact:	-	-
3.4	Schedule of Movable Equipment A & B	3.0	3.0
3.5	Business Plan		
	A Operational Overview	2.0	2.0
	B Revenue Sources, Fundraising and Partnerships:	2.0	2.0
4. Space Needs		24.0	26.0
4.1	Space Needs		
	A Space Needs - THEC Space Guidelines:	10.0	12.0
	B Notes or Comments on Above Data, or Describe Need for Non-Formula Space:	1.0	1.0
	C Migration Plan:	3.0	3.0
4.2	Tabulation of Affected Space		
	A Tabulation Table	4.0	4.0
	B Explanation of Data, If Needed	1.0	1.0
4.3	Space Detail Information		
	Outline Architectural Program and Full Architectural Program	5.0	5.0
5. External Funding		8.0	-
5.1	External Funding	8.0	-
Total Score		100.0	100.0

