TENNESSEE BOARD OF REGENTS

2016
INSTRUCTIONS
FOR
PREPARING
YOUR

CAPITAL
BUDGET
Request

for

FISCAL YEAR
2017-2018

Capital Outlay Project Requests
Capital Maintenance Project Requests
and
Project Disclosures

Contents

Timeline
FY 17/18 Capital Budget Submittal

Getting Started

<u>April - May</u>
- 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 provides assistance to campus staff for preparing budget submittal

<u>June 3, 2016</u>
- Deadline for FY 17/18 Budget Submittal to TBR

Analysis

<u>June - August</u>
- TBR reviews projects
- Research with questions and answers
- Scoring and ranking projects

Submittals and Approvals

<u>September 15, 2016</u>
- Presentation to the Tennessee Board of Regents

<u>October - December</u>
- Submit Capital Budget Request to THEC and F&A
- Answer questions and perform additional research as necessary

<u>February</u>
- Gubernatorial recommendation

<u>March</u>
- Additional Disclosures are submitted to Amend the list submitted for FY 17/18 budget cycle – "Disclosure Amendment"

<u>May/June</u>
- Appropriations Bill is signed

<u>July</u>
- Projects are taken to the State Building Commission for project and funding approval

Current FY 16/17 budget recommendations: https://www.tbr.edu/facilities/capital-budget

Submittal Requirements

Submittal Deadline: June 3, 2016

<div align="center">

Each campus must submit <u>both</u> a paper and electronic copy to:

Diane Uhler diane.uhler@tbr.edu
Tennessee Board of Regents
Office of Facilities Development
Suite 664 at 1415 Murfreesboro Road
Nashville, Tennessee 37217-2833
(615) 366-3982

</div>

Electronic and Paper Copies: **(all on 8½" x 11" paper and as an email attachment)**

- One (1) DB-71 form for the prioritization of all projects (List (DB71)
- One (1) Project Workbook (Project (DB70 Full) or Project (DB70 Short) for each project
- Other required documents described in the section "Developing a Project."

Relevant illustration and photographic images may be included if printed on 8½"x11" paper, and each image must be captioned to clearly explain the specific content and relevance.

Include the subject line of your e-mail message, the words "capital budget request from" followed by your institution name.

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: All institutions are asked to submit at least one (1) project for consideration.

It is possible that new projects will be added to the TBR priority list this year.

Capital Maintenance:

Request any number of 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.

First Priority: Institution's first priority should be no more than 30% of their target with a maximum amount of $3,500,000. Colleges where 30% is less than $750,000, may use $750,000 as their 1st round maximum.

Second Priority: Institution's second priority should be up to, but not more than 60% of the target (including the 1st wave), with a $3,500,000 project maximum.

Disclosure: Disclose any number of projects with full documentation of each project.

Project Forms and Documents

Stack your finished **documents** for each project in this order	Capital Maintenance Project	Capital Outlay Project	Disclosed Project from other source	page
DB 71, priority list	**required**	**required**	**required**	**5**
DB-70 Project Request Fixed-format one-page Summary of project name, brief description, total cost, funding objective, and requested amount.	**required**	**required**	**required**	**6**
Project Support Documentation Fixed-format one-page Summary of program objective, justification, facility history, related requirements, existing conditions.	**required**	**required**	**required**	**9**
Physical Facilities Evaluation Supports Functionality and Quality assessment summarized for Capital projects in Project Support Documentation.	**required**	**required**		**9**
Schedule of Movable Equipment Required if any amount is to be allotted to movable equipment. Fixed-format list of items to be purchased within the project.	conditional	**required**	conditional	**10**
Funding Analysis Required for any project utilizing funds other than appropriated Capital funds or for Match Fund Plan for Capital Outlay projects		**required**	**required**	**11**
First Year Operating Costs estimate Required only for E&G space which will affect the state operating appropriation calculation, estimating first-year increase in state costs.		**required**	*	**12**
Bond Questionnaire Required on any project for appropriations or disclosed for TSSBA funding		**required**	If TSSBA	**13**
Program Statement and Education Specification Description of the physical objectives, including size, character, and relationships of space. Describe the functional objectives and intended use.		**required**	*	**14**
Tabulation of Affected Space Fixed-format one-page tabulation of the square footages of the various classifications of space to be renovated or constructed new.		**required**		**15**
THEC Space Guideline Calculated with the most recent fall enrollment for main or satellite campus.		**required**		**4**
CCTA Include a narrative on how the project supports the principles of the Complete College Tennessee Act.		**required**		**4**

* Required for new construction or change of use

General Instructions

The two (2) Excel workbooks for the Project Documentation (DB70) and the List (DB71) can be downloaded them from our website: https://www.tbr.edu/facilities/capital-budget

To begin a project from scratch: 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. You can unlock the cells with the password "Pandora".
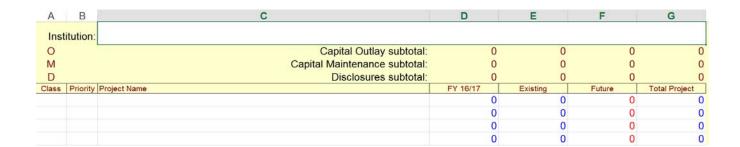
Project file trimming:

When a project workbook is complete, delete the unused sheets of the workbook.

DB-71 Instructions: Required for all submittals

The **DB71** sheet is designed to serve as a consolidated list for all classifications. You will list all of your projects on this form, designating (in column A) if it is an Outlay, Maintenance, or Disclosure

1. Put the name of the institution in the space provided (cell C1)
2. In column B, enter a priority number for each project.
    You will need to prioritize all Outlay projects and Maintenance projects separately, but list on the same sheet. You will not need to prioritize Disclosures, only list them.

	A	B	C	D	E	F	G
	Institution:						
	O		Capital Outlay subtotal:	0	0	0	0
	M		Capital Maintenance subtotal:	0	0	0	0
	D		Disclosures subtotal:	0	0	0	0
	Class	Priority	Project Name	FY 16/17	Existing	Future	Total Project
				0	0	0	0
				0	0	0	0
				0	0	0	0
				0	0	0	0

DB70 Instructions - required for all projects

Part 1 – Project Identification

If not already done on the Project.xls master format, 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."

Take care in naming, ensuring that your terminology corresponds to the Project Classifications given on Page 16. For instance, a Capital Maintenance systems "modernization" should not be called a systems "improvement," which implies a Capital Outlay project.

Part 2 – Fiscal year

Fiscal Year should already be filled as "2016 / 2017".

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 Capital Outlay box if submitting the project in the Capital Outlay Classification. If left alone, the other three boxes are protected and have embedded functions that will cause them to display an "X" based on other data in the sheet.

- ❑ **Capital Maintenance** will display an "X" if This Request includes State Funds in cell E41 and Capital Outlay has no "X".
- ❑ **Disclosure** will display an "X" if This Request includes non-state funds in cells E42 or E43.
- ❑ **Designer Required** will display an "X" if Allocation includes a Fee amount in cell E32.

Fill in values for square footage and cost/s.f. under **New** construction and **Renovation**. Square footage amounts should match those developed in the **Tabulation of Affected Space**. 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 I25, in the upper right of Part 5.

Part 4 – Project Description

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 I25 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 I32 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 I32. The base formula will be calculated un-multiplied.
- ❑ **Fixed**: put "Fixed" in cell I32, and overtype Fee value cell(s) with the fixed amount.
- ❑ **Multi-Part**: Contacting TBR is 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.

Total Cost should be rounded to 10 thousand, allowing a suitable level of miscellaneous costs. A guide would be approximately 50% of the designer's fee.

Part 6 – Funding Request

Summarize the funding needed for the Total Project and This Request for the Fiscal year.

- ❑ **Total Project:** enter full funding for the total project.
- ❑ **This Request**: enter only the amount expected for the new fiscal year. If the project is already an SBC project and has received some funding, that will be shown in Part 7.
- ❑ **STATE funds:** is locked with embedded math.

Part 7 – Sources of Available 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)
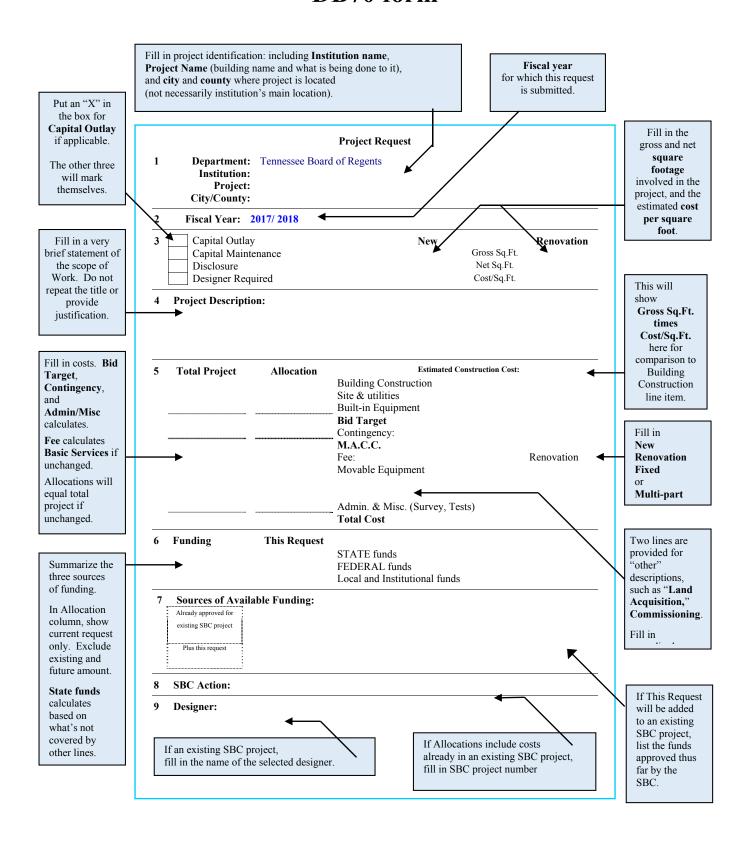
Part 8 – SBC Action

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.

DB70 form

Fill in project identification: including **Institution name**, **Project Name** (building name and what is being done to it), and **city** and **county** where project is located (not necessarily institution's main location).

Fiscal year for which this request is submitted.

Put an "X" in the box for **Capital Outlay** if applicable.

The other three will mark themselves.

Fill in the gross and net **square footage** involved in the project, and the estimated **cost per square foot**.

Fill in a very brief statement of the scope of Work. Do not repeat the title or provide justification.

Project Request

1   **Department:**   Tennessee Board of Regents
        Institution:
           Project:
      City/County:

2   **Fiscal Year:**   **2017/ 2018**

3   ☐ Capital Outlay   **New**   **Renovation**
        ☐ Capital Maintenance   Gross Sq.Ft.
        ☐ Disclosure   Net Sq.Ft.
        ☐ Designer Required   Cost/Sq.Ft.

4   **Project Description:**

This will show **Gross Sq.Ft. times Cost/Sq.Ft.** here for comparison to Building Construction line item.

Fill in costs. **Bid Target**, **Contingency**, and **Admin/Misc** calculates.

Fee calculates **Basic Services** if unchanged.

Allocations will equal total project if unchanged.

5   **Total Project**   **Allocation**   **Estimated Construction Cost:**
                                        Building Construction
                                        Site & utilities
                                        Built-in Equipment
        _____   _____   **Bid Target**
                                        Contingency:
        _____   _____   **M.A.C.C.**
                                        Fee: Renovation
                                        Movable Equipment

        _____   _____   Admin. & Misc. (Survey, Tests)
                                        Total Cost

Fill in **New Renovation Fixed** or **Multi-part**

6   **Funding**   **This Request**
                                        STATE funds
                                        FEDERAL funds
                                        Local and Institutional funds

Summarize the three sources of funding.

In Allocation column, show current request only. Exclude existing and future amount.

State funds calculates based on what's not covered by other lines.

7   **Sources of Available Funding:**

        ┌─────────────────┐
        │ Already approved for │
        │ existing SBC project │
        │   │
        │ Plus this request │
        └─────────────────┘

Two lines are provided for "other" descriptions, such as "**Land Acquisition,**" **Commissioning**.

Fill in ...

8   **SBC Action:**

9   **Designer:**

If an existing SBC project, fill in the name of the selected designer.

If Allocations include costs already in an existing SBC project, fill in SBC project number

If This Request will be added to an existing SBC project, list the funds approved thus far by the SBC.

Project Support Document

The **Project Support Document** is required for all projects, and provides a brief narrative of the project. Extended narratives may be included as appropriate in the Educational Specification, the Program Statement, or otherwise as supplemental supporting information in the back of the project package. The following information is required:

Section A   Program Objectives: Provide a short, meaningful description of the project and its relationship to the educational program objectives at the institution. Define type of occupancy, capacity, special services, and any unique features. For roof replacements, indicate the area of the roof; and, if only a portion of a total building's roof, stipulate what part of the building. Avoid repeating the title of the project. Avoid justifying the project.

Section B   Evidence of Need: Justify the project. Cite growth in educational program demand for Outlay projects. Cite poor conditions and repair history for Maintenance.

Section C   Historical Profile: Tell the history of the educational program being served and the history of the existing facilities, including date of initial construction, dates of major repairs and renovations, especially dates of installation of existing roof and type of roof when requesting a re-roofing project, and comparable information for other major repair items. Avoid repeating the repair history and other information already covered in the Evidence of Need. If renovating for a new occupancy, tell about both the old and new usage.

Section D   Related Requirements: Identify activities on which the project is dependent but which will occur outside the project. Typically, all requirements for a successful project should be included in the project; however, site selection may depend on completion of a Master Plan, or funding for a non-appropriated project may depend on a fee increase not yet approved, or a gift not yet in hand. Identify prior projects that made this one necessary or subsequent projects that this project will necessitate.

Section E   Summary Results and Date of Physical Facilities Survey: Provide the most recent survey score and the survey date. For Capital Outlay projects, provide the institution's assessment of the Functionality and Quality of Existing Space.

Physical Facilities Inventory and Survey (PFIS)

Evaluations are required for Capital Outlay and Capital Maintenance and recommended for Disclosures, and must be documented in the Facility Survey database on the OFD website. The Physical Facilities Survey must be updated prior to submitting your project request. For further information on the evaluation forms and survey process, contact Alan Gosart in OFD at 366-4432 or alan.gosart@tbr.edu.

Evaluations are to include space directly affected by the project, whether enlarged, renovated, vacated, demolished, or served. A project to replace utilities should address the existing utilities and the buildings served by those utilities. A re-roof project should address the roof and the building under it.

The Physical Facilities Evaluation supports the Project Support Document, particularly the Evidence of Need statement in section B, and the assessment of the Functionality and Quality of Existing Space in section E, which is used in the TBR Capital Outlay prioritization formula.

Movable Equipment Instructions

Movable Equipment included in the project is to be listed in the workbook on the tab-name "Equip".

The following information is required, and here is an example, with the first two entries representing references to other lists, and the last two entries representing individual items:

Description	Life	Qty	Unit Cost	Total Cost
Lounge Areas furniture list	10	1	26,325	26,325
Faculty & Staff Office furniture list	15	1	37,500	37,500
Classroom tables	20	300	125	37,500
Classroom chairs	15	300	35	10,500

Description: A reasonable, short, meaningful description of each unique item. Because this column is actually two columns, you can use them as an indent for dividing up groups of equipment.

Life: The typical life expectancy for each item. The Governor's budget recommendation will take equipment life expectancies into consideration when determining how much of a project should be funded from cash versus debt.

Qty: The quantity of each item needed.

Unit Cost: The unit cost anticipated for the time of purchase. This must be projected forward, based on current market costs and allowing for inflation, on the assumption that the funding requested will be appropriated in the request year, and allowing for lead time between funding and actual purchasing, which may include the full design and construction process.

Total Cost: The product of Qty times Unit Cost. In the Equip sheet, math functions have been embedded in column F for individual items total cost, but only down to row 51. If the list extends beyond this row, copy the math function from one of these cells, and paste it into the further cells of column F as far down as needed.

After compiling the full list, a total should be derived and rounded to the nearest thousand dollars for inclusion in the DB70 form. The Equip sheet total function in cell F5 will sum all entries through 10,000 rows; and, if the list extends longer, should be corrected.

Funding Analysis

A detailed list is <u>required</u> for Disclosure of a project using Non-Appropriated funds.

The "FundData" tab is included in the project workbook. The sheet is formatted thus:

Amount	Non-Appropriated Category	Specifics of Source

Sources of non-appropriated funding must be provided using these categories:

TSSBA: For Tennessee State School Bond Authority funds, provide a pro-forma financing plan on how the loan will be debt serviced, specifically identifying the source(s) of debt service funds and their status as approved or pending revenue streams. The pro-forma can be combined in the single page with the rest of the Funding Analysis for Project Disclosure. If needed, a separate pro-forma worksheet can be obtained from OFD.

Plant funds (non-auxiliary):   includes prior year operating funds, balances from appropriations and tuition allotted for improvement projects.

Plant funds (auxiliary):   enterprise revenues, such as bookstore, food service, housing, athletics, and parking. The source must be named.

Land sale proceeds: applicable normally to improvements eligible for capital outlay funding (if derived from sale of specific property, identify what and when sold)

Access fees: e.g., parking, technology (identify specific sources)

Student fees: specify whether existing fees and/or subject to Board approval of a fee increase

Gifts: donations, bequests, foundations (identify donors to the extent possible)

Local government funds: city or county participation (identify specific sources)

Federal funds: grants and matches (identify specific sources)

"FundData" sheet includes a line for each of these categories, which can be duplicated for as many specific sources as needed. The total of all entries is summed in cell A9.

Capital Outlay Match

Each project will require match funds to be considered for appropriation 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. Only the first $75,000,000 requires a match.

<u>The threshold for Capital Outlay Match is</u>:

Universities	25%
Community Colleges	10%
Non-Formula Units	10%
TCATs	5%

First Year Operating Costs

An estimate of First Year Operating Costs is
required for any Capital Outlay or Disclosed project
that will add square footage and affect operating costs.

First Year Operating Costs should itemize the increase in
costs expected during the first twelve months of operation
after construction of a new facility or renovation of space to
a new use. The intent of the estimate is to provide an
estimate of the increase in annual operating funds that will
result from the project completion.

A detailed format for the final estimate is built into the project
workbook sheet with the tab name of **OpCosts**.
The information required includes:

- ❑ Number of positions to be added
- ❑ Salary costs added by new positions
- ❑ Reimbursable program expenses added due to expansion
- ❑ Telephone and equipment installation
- ❑ Utilities (see table at right) ➔
  Fill in cell G19 with your value at right,
  and fill in cell G20 with the new square footage,
  and cell C19 will calculate.
- ❑ Maintenance (see table below) ↓
  Fill in cell G21 with your value below,
  and fill in cell G20 with the new square footage,
  and cell C21 will calculate.
- ❑ Offsetting revenues
  to be received from
  non-state sources

Utility Funding
recommended by THEC
FY16/17
per E&G square footage

$ / s.f.	for institution
4.28	APSU
3.44	ETSU
4.28	MTSU
4.28	TSU
4.28	TTU
3.44	UoM
4.28	Chattanooga SCC
3.44	Cleveland SCC
4.28	Columbia SCC
3.44	Dyersburg SCC
3.44	Jackson SCC
3.44	Motlow SCC
3.44	Nashville SCC
4.28	Northeast SCC
3.44	Pellissippi SCC
3.44	Roane SCC
3.44	STCC
3.44	Volunteer SCC
3.44	Walters SCC
3.44	TCAT's
8.31	ETSU COM
5.07	TSU NCRS

**Maintenance and
Operating Funding**
recommended by THEC
FY16/17
per E&G square footage

$ / s.f.	for type of space
8.06	buildings > 20 yrs old
6.04	buildings < 20 yrs old
3.02	portables/modulars

Bond Questionnaire

A Bond Questionnaire is produced on the project workbook sheet with the tab name of "BondQuest", and required for Capital Outlay projects, and for disclosed projects using TSSBA funding.

Important distinction for projects that do not directly affect interior space:

☐ When documenting a roof or building systems project, the Questionnaire should be filled out in reference to all of the space served or affected by the systems.

☐ When documenting an infrastructure project, the Questionnaire should be filled out in reference to all of the space served or affected by the infrastructure, or multiple copies of the sheet can be provided with each describing an individual building served by the infrastructure, and each sheet re-named to "BQ-" and a short version of the building name (i.e., "BQ-McCord" for McCord Building).

Questions 1 – 6:
Stock answers have already been included for the first six basic questions about the use of the building. These should be tailored to the specific project; however, they should not require much deviation from the stock answers on Capital projects.

Question 7:
The seventh question requires specifics on certain uses and possible private uses, and is primarily a Tabulation of Space focused on the spaces that most often produce revenue.

Vending machines and **pay phones**:
cells in column D accept a number of units, then cells in column E automatically multiply the number of units by a standard square footage prescribed by the F&A Budget Office. These cells in column E can be overwritten to a different value, but it is best to resist doing so.

Other revenue space square footages (column E):
The further rows in column E are intended to receive direct input of square footages.
Row 39 is captioned "Other private use", which can be overtyped if there is one type of revenue space included but not listed above, or left as is if there are none or several.
Row 40 should be left to calculate as is.
Row 41 should be filled in with the Total Net Assignable value from the SpaceTab sheet.
In the "Vendor" column G, place a capital "X" on those rows for which the space is expected to be occupied or operated by a vendor. The Private Use column H will then add up the vendor spaces and display the percentage of space being given over to private use. The F&A Budget Office must have this information in order to assess the mix of cash and debt to recommend for the project, and to determine if debt will be eligible for tax-free bonds or will require taxable bonds.

Program Statement

There is no standard format or form for a Program Statement.

Program Statement should be written for every project; however, the depth of detail will vary greatly. Address primarily the physical objectives of the project, describing the work to be done, size and character of spaces to be created, and physical relationships of spaces.

Capital Outlay projects should have detailed programs. On complex projects, such as a major infrastructure replacement, a substantial program is more in order, and often requires a preceding study project.

Project Disclosure also requires a program, with the extent matching that for comparable projects requesting Capital appropriations.

The Program Statement is important, in that it sets forth the specific objectives of the project. Defining the program is essential to developing a reasonable and reliable budget. Regional design consultants can assist in program development in the genesis of a project. The standard designer agreement requires the Owner to provide a project program.

Educational Specification

There is no standard format or form for an Educational Specification.

Educational Specification (Ed Spec) is required for Capital Outlay and Project Disclosure that provides a space addition or major change-in-use renovation.

An Ed Spec addresses primarily the functional objectives of the project, describing the intended use and functional relationships of the space, the institutional program to be served, and the number of persons expected to use the space. The Ed Spec should be the starting point for any project request, establishing the basic need for and objective of the project. Advance submittal to Academic Affairs is recommended.

The central office department of Academic Affairs will be asked to review the Ed Spec for approval of programmatic objectives.

Tabulation of Affected Space

This form is required for Capital Outlay projects, which cannot be evaluated nor scored for priority without this information. The form is desirable on any Capital Maintenance project renovating interior space, and any Project Disclosure to add or renovate interior space. This form also helps define the Program.

"**SpaceTab**" sheet has formulae built into the "Net Increase" column and in the Sub-Totals and Totals. A similar form generated from another system can be used, so long as the same information is included and the math works. If the workbook SpaceTab is not used, delete the sheet.

Filling out the form:

Identify the institution and project. The form lists types of space according to those used for Capital Outlay prioritization scoring. Determine and fill in the square footage of each Type of Space in the project according to:

a) **Demolition:**
   The existing use of space to be demolished. If space is vacant or unused, list it according to its current classification in the Physical Facilities Inventory. If not classified, or if the classification is not included in the scope of the Tabulation, enter as "general use".

b) **Renovation:**
   Two columns are provided – one for "Former Use" and one for "New Use".

   In "Former Use":
   indicate square footage according to its current or most recent use prior to the renovation.

   In "New Use":
   indicate square footage according to its intended use after the renovation is completed.

   The two renovation columns should total the same.
   Renovations that change use of space, with the resulting use being E&G, are normally Capital Outlay.

   If a Capital Outlay project is renovating space for use as the same type of space, consider whether this portion of the project should be submitted as Capital Maintenance.

c) **New Construction:** including additions; however, an addition should also have with it at least some minor renovation where the addition attaches to the existing structure.

d) **Net Increase:**
   This column of the SpaceTab contains embedded math to total up
   (New Construction + Renovation New Use) – (Demolition + Renovation Former Use).

Indicates the net assignable square footage subtotals for the four columns.

Indicate a non-assignable square footage for each column
(normally about 50% of net assignable square footage, but varies).

Indicates total gross square footages.
These Renovation and New totals should be used later when filing out the DB70 form.

Embedded math (in the non-printing columns, to the right of the printable portion of the sheet)
will apply the Capital Outlay prioritization formula and display in cell B28 the formula score for
"Type of Space in Project".

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.

Project requests once on the Outlay List do not have to be resubmitted. To substantially change a listed project, the institution should submit an updated and complete project request plus an explanation of what change is being requested and why.

Each year, institutions should endeavor to submit one new Capital Outlay Project to ensure consideration should any of the existing projects be funded off of the list.

As your project moves up the list, 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 (at institutions other than universities) 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 complete new list is produced each year.

Disclosure

Projects proposed from School Bonds and other sources

Definition: Any maintenance between $100,000 and $500,000, 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, housing, 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:

- **Type of Space**
  preferring what most directly serves an academic mission.
- **Composite Shortage**
  preferring types of space for which THEC has acknowledged a shortage.
- **Functionality & Quality**
  preferring to improve upon or replace existing facilities in the worst shape.

Prioritization Formula point values and category details are included later in this guide.

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.

Projects are prioritized in waves. The first wave includes each institution's first priority with preference given to institutions under-served in the prior year. Each wave serves 1/4 to 1/3 of Target funding. Some variation is inevitable, as projects will not conveniently add up right on Target. Preference is accorded to type of work in this order:

- Building Codes & Safety
- Roofs
- Mechanical & Infrastructure
- Building Envelope
- 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.

Disclosure

No priority order is required for these projects.

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 has to be in place when the project is taken to the SBC.

A disclosed project remains disclosed for 2 years.

Two Opportunities: *Budget Submittal and Disclosure Amendment*

June and March of each year.

Two Exceptions: *Late Disclosures:*

Special Opportunity: There is a 30-day waiting period after THEC approves it before it can be taken to SBC for approval.

Maintenance Emergencies:

Capital Outlay
Prioritization Formula

for project funding requests of the
Tennessee Board of Regents

March 2012

Type of Space in project
35 points

Each type of space is given a point value in relation to its relative importance to serving the mission of the institution.
The type of space in each project will be evaluated on the following point assignments:

Points	Space description
35	Classrooms 100's
35	Class laboratories 210, 215, 220, 225, 250, 255
30	Offices 300's
25	Study facilities 400's
15	Physical education 520, 523, 525
10	General use facilities 600's

The three digit numbers are from the "Postsecondary Education Facilities Inventory and Classification Manual (FICM)" 2006 Edition. This manual may be found   http://ofd.tbr.edu/ under the "Facilities Inventory – PFI" menu item.

Composite Shortage
35 points

The composite shortfall will be given a point value in relation to the outcome of the 2011 THEC Space Guidelines and the TBR system space analysis. The shortfall in each project will be evaluated based on the relative weight for the type of space.

Functionality & Quality
30 points

The functionality and quality will be given a point value based on information from the Physical Facilities Survey, independent assessments, input from the institution, and on-site observations. Priority will be given to facilities that have deficient mechanical / electrical capacity, technology or that have significant health / life safety issues, or accreditation requirement. The functionality and quality considers space efficiency, the conversion or demolition of space and renovation of vacated space.

CCTA

Each project shall include a narrative on how the project supports the principles of the Complete College Tennessee Act.

Capital Maintenance Target Funding by Institution

OFD endeavors to craft a Capital Maintenance recommendation in two waves: the first wave including every institution's #1 priority but not exceeding 30% of each Target; with a maximum of $3,500,000. The second wave including projects to reach 60% of each Target. Colleges where 30% is less than $750,000, may use $750,000 as their 1st wave maximum.

Institution	2014 Target	2015 Target	2016 Target	1st Wave	2nd Wave
APSU	4,766,724	6,131,732	6,045,964	1,813,789	1,813,789
ETSU	11,517,350	14,288,430	15,221,926	3,500,000	5,633,155
MTSU	10,596,149	13,607,554	13,803,206	3,500,000	4,781,923
TSU	8,352,742	10,036,348	10,263,288	3,078,986	3,078,986
TTU	8,158,652	10,709,672	10,424,402	3,127,321	3,127,321
UoM	20,131,325	25,652,422	24,594,775	3,500,000	6,000,000
universities	63,522,942	80,426,158	80,353,561		
ChSCC	3,518,609	3,984,524	4,102,314	1,230,694	1,230,694
ClSCC	1,660,433	2,165,773	1,879,733	750,000	377,840
CoSCC	1,617,260	1,988,548	1,703,954	750,000	272,372
DSCC	897,832	1,109,694	1,161,635	750,000	-
JSCC	1,413,630	1,760,272	1,829,290	750,000	347,574
MSCC	1,089,180	1,401,057	1,448,734	750,000	119,241
NaSCC	1,478,202	2,118,586	2,172,308	750,000	553,385
NeSCC	886,652	1,108,312	1,158,470	750,000	-
PSCC	2,371,566	2,550,198	2,849,532	854,859	854,859
RSCC	1,565,802	1,957,393	2,132,796	750,000	529,677
STCC	3,076,774	4,035,809	4,263,555	1,279,066	1,279,066
VSCC	1,626,731	2,065,655	2,143,739	750,000	536,243
WSCC	2,582,451	3,134,616	3,162,956	948,887	948,887
colleges	23,785,122	29,380,438	3,009,016		
TCATs	6,855,533	8,392,889	9,189,481	2,756,844	2,756,844
system total	94,163,597	118,199,485	119,552,058		

2016 System Statistics

	Education & General gross square footage E&G GSF	Average Age	Median Age	Building Replacement Cost
	square feet	years	years	dollars
Universities	16,094,920	48.6	48.0	4,096,129,730
Colleges	7,745,095	32.9	34.6	1,900,523,640
TCATs	2,112,064	34.8	38.0	458,782,950
TOTAL	25,952,079			6,455,436,320

Formula for Annual Target Funding

Source - FM Data Monthly, August 1997

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

2016-2017 Target Funding for Capital Maintenance $119,552,058

History of Appropriations

Total amounts appropriated by the State of Tennessee to TBR capital projects
(and FY16/17 gubernatorial recommendation not yet appropriated)

| FY16/17 Gov Rec | 100,950,000 | 44,490,000 | 145,440,000 |

Fiscal Year	Outlay	Maintenance	Total
2015-2016	87,570,000	26,340,000	113,910,000
2014-2015	61,830,000	22,570,000	84,400,000
2013-2014	130,060,000	32,340,000	162,400,000
2012-2013	108,900,000	39,340,000	148,240,000
2011-2012	0	31,480,000	31,480,000
2010-2011	120,000,000	29,590,000	149,590,000
2009-2010	0	6,760,000	6,760,000
2008-2009	6,400,000	11,950,000	18,350,000
2007-2008	78,245,000	31,650,000	109,895,000
2006-2007	114,680,000	33,658,000	148,338,000
10-year total:	707,685,000	265,678,000	973,363,000
10-year average:	70,768,500	26,567,800	97,336,300

Notable Facts:

- ☐ 16/17 Outlays is for 2 ranked projects and one project not ranked.
- ☐ 15/16 Outlays is for 4 ranked projects.
- ☐ 14/15 Outlays is for 2 ranked projects.
- ☐ 13/14 Outlays is for 3 ranked projects and 1 one project not ranked, Nissan Education Facility.
- ☐ 12/13 Outlay is for MTSU Science Facility and 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 for Chemical Engineering Technology Facility at APSU.
- ☐ 07/08 Outlays included 4 ranked requests with planning funds for 1 ranked request in addition to 4 legislative initiatives for agricultural arenas.
- ☐ 06/07 Outlays included 5 ranked requests and 1 legislative initiative.