



**INSTRUCTIONS**  
**FOR**  
**PREPARING**  
**YOUR**  
**CAPITAL**  
**BUDGET**  
**Request**

for

**FISCAL YEAR**  
**2019-2020**

Capital Outlay Project Requests  
Capital Maintenance Project Requests  
and  
Project Disclosures

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# Timeline

## FY 19/20 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 provides assistance to campus staff for preparing budget submittal

#### March 29, 2018

- Deadline for FY 19/20 Budget Submittal to TBR

### Analysis

#### April - May

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

### Submittals and Approvals

#### June 21, 2018

- 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

Current FY 18/19 budget recommendations:

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



# **Submittal Requirements**

## **Submittal Deadline: March 29, 2018**

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

**Diane Uhler [diane.uhler@tbr.edu](mailto: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.

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 narratives (25 Pts.), Strategic Plan and Campus Plan narrative (25 pts). Remaining points are for the project description and impact, space needs, and external funding.

## **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. Institution’s projects should be up to, but not more than the Annual Renewal Target.

**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.



# 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
<b>DB 71, priority list</b>	<b>required</b>	<b>required</b>	<b>required</b>	<b>5</b>
<b>DB-70 Project Request</b> Fixed-format one-page Summary of project name, brief description, total cost, funding objective, and requested amount.	<b>required</b>	<b>required</b>	<b>required</b>	<b>6</b>
<b>Project Support Documentation</b> Fixed-format two-page Summary of program scope, justification, facility history, related requirements, schedule, and existing conditions.	<b>required</b>	<b>required</b>	<b>required</b>	<b>9</b>
<b>Physical Facilities Inventory and Survey</b> Must be documented for evaluation of facilities	<b>required</b>	<b>required</b>		<b>10</b>
<b>Schedule of Movable Equipment</b> Required if any amount is to be allotted to movable equipment. Fixed-format list of items to be purchased within the project.	conditional	<b>required</b>	conditional	<b>10</b>
<b>Funding Analysis</b> Required for any project utilizing funds other than appropriated Capital funds or for Match Fund Plan for Capital Outlay projects		<b>required</b>	<b>required</b>	<b>11 &amp; 12</b>
<b>Multi-Phase Project Grouper</b> Required for any project with a mix of new construction and renovations		<b>required</b>		<b>11</b>
<b>First Year Operating Costs estimate</b> Required only for E&G space which will affect the state operating appropriation calculation, estimating first-year increase in state costs.		<b>required</b>	*	<b>13</b>
<b>Bond Questionnaire</b> Required on any project for appropriations or disclosed for TSSBA funding		<b>required</b>	If TSSBA	<b>14</b>
<b>Space Needs, Tabulation, and Detail</b> Three page fixed-format Space needs analysis of the square footages of the various classifications of space to be renovated or constructed new.		<b>required</b>		<b>15</b>
<b>THEC Space Guideline</b> Calculated with the most recent fall enrollment for main or satellite campus.		<b>required</b>		<b>4</b>
<b>CCTA/Drive to 55</b> Include a narrative on how the project supports the principles of the Complete College Tennessee Act and the Drive to 55 initiatives.		<b>required</b>		<b>16</b>
<b>Master Plan &amp; Strategic Plan</b> Include a narrative that links the project with the institution's strategic plan and campus facilities master plan.		<b>required</b>		<b>16</b>

\* 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 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

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### 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.

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### Part 2 – Fiscal year

Fiscal Year should already be filled as “2019 / 2020”.

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### 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 E44 and Capital Outlay has no “X”.
- Disclosure** will display an “X” if This Request includes non-state funds in cells E45 or E46.
- Designer Required** will display an “X” if Allocation includes a Fee amount in cell E35.

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 I28, in the upper right of Part 5.

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### 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.

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### 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 I35 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 I35. The base formula will be calculated un-multiplied.
- Fixed:** put “Fixed” in cell I35, 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.

**1<sup>st</sup>-Other** and **2<sup>nd</sup>-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.

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## 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.

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## 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)

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## Part 8 – SBC Action

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

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## 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

**Project Request**

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

2 **Fiscal Year:** 2019/2020

3  Capital Outlay  
 Capital Maintenance  
 Disclosure  
 Designer Required

New      Renovation

Gross Sq.Ft.  
 Net Sq.Ft.  
 Cost/Sq.Ft.

4 **Project Description:**

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5 **Total Project      Allocation      Estimated Construction Cost:**

Building Construction  
 Site & utilities  
 Built-in Equipment  
**Bid Target**  
 Contingency:  
 M.A.C.C.  
 Fee:  
 Movable Equipment

Renovation

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

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6 **Funding      This Request**

STATE funds  
 FEDERAL funds  
 Local and Institutional funds

7 **Sources of Available Funding:**

Already approved for existing SBC project  
 Plus this request

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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

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.

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

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

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

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

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

Put an "X" in the box for **Capital Outlay** if applicable. The other three will mark themselves.

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

Fill in costs. **Bid Target, Contingency, and Admin/Misc.** calculates. **Fee** calculates **Basic Services** if unchanged. Allocations will equal total project if unchanged.

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.





## **Project Support Document – 2 pages, 3b and 3c**

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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:

### **Project Support -1**

**Section A 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.

**Section 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

**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. 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. For example, 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.

### **Project Support -2**

**Section E Cost – Basis for SF Costs and Other Costs:** Describe method for determining estimated construction costs, soft costs, and equipment, AV, and IT cost. If applicable, provide information from a similar project that recently bid.

**Section F Project Schedule:** Provide key milestone dates and project sequence or phasing if appropriate.

**Section G Total Campus FTE, FTE directly impacted, Majors (current & projected):** 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.

**Section H Other Campus or Program Impact:** Describe any other costs or program related impact of the project otherwise not described in this section. Include Survey Score and summary of systems condition.



## Physical Facilities Inventory and Survey (PFIS)

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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](mailto:alan.gosart@tbr.edu).

Evaluations are to include space directly affected by the project, whether 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.

## Movable Equipment Instructions

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Movable Equipment included in the project is to be listed in the workbook on the tab-name “[Equipment](#).”

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.

**Section I Explanation of Equipment Cost:** Provide support for equipment cost; methods of determining the cost of program equipment, other equipment, AV, IT costs. If applicable, provide information on similar projects in the region recently bid.



## Funding Analysis

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

**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)

### Capital Outlay Match **There is no match requirement for TCATs.**

Match Requirement of Total Project Cost FY 2019-20 (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%

On the Funding Analysis page (5a) of the project workbook, enter match funds committed for the project.

## Multi-Phase Project Grouper

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 “5b – 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 5a.

All institutions including TCATs must fill out the top section of sheet 5a if funding sources other than outlay are pledged for the project.



## External Funding (Match) Thresholds for Capital Outlay Projects

Projects submitted by Community Colleges must meet a minimum match requirement to be evaluated. The minimum match requirement differs by sector and project type, as detailed on the previous page (Page 11). There are no match requirements for TCATs.

Further, 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. Outlay funding shall include an institutional matching component that is no less than the amount pledged by the institution in the capital outlay budget proposal the institution submits to the Tennessee Higher Education Commission.

Matching funds may include gifts, grants, institutional funds, student fees, and other non-state sources. No more than one-third (1/3) of the total pledged institutional match shall consist of Tennessee State School Bond Authority financing, the term of which shall not exceed five (5) years. Obligations resulting from such financing shall be reduced as the matching funds from gifts, grants, institutional funds, student fees, and other non-state sources are raised and recognized.

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

- 30% for all Community Colleges and Nonformula Units;



# 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 C or D 22 with your value at right, and fill in cell C or D 24 with the new square footage, and cell C & D 25 will calculate.
- Maintenance (see table below) ↓  
Fill in cell C or D 23 with your value below, and fill in cell C or D 24 with the new square footage, and cell C & D 25 will calculate.
- Offsetting revenues to be received from non-state sources

<b>Maintenance and Operating Funding</b>	
recommended by THEC	
<b>FY18/19</b>	
per E&G square footage	
\$/ s.f.	for type of space
8.51	buildings > 20 yrs. old
6.38	buildings < 20 yrs. old
3.19	portables/modulars

<b>Utility Funding</b>	
recommended by THEC	
<b>FY18/19</b>	
per E&G square footage	
\$/ s.f.	for institution
4.50	Chattanooga SCC
3.61	Cleveland SCC
4.50	Columbia SCC
3.61	Dyersburg SCC
3.61	Jackson SCC
3.61	Motlow SCC
3.61	Nashville SCC
4.50	Northeast SCC
3.61	Pellissippi SCC
3.61	Roane SCC
3.61	STCC
3.61	Volunteer SCC
3.61	Walters SCC
3.61	TCAT's



## Bond Questionnaire

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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 38** 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 39** should be left to calculate as is.

**Row 40** 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.



## Space Needs – 3 pages, Space Needs (4a), Space Tabulation (4b), and Space Detail (4c) THEC Space Guideline, Facility Assessment, and Migration Plan

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

- Complete the full THEC Space Guide based on the campus data (not project data), and then transfer the summary totals to the Space Needs sheet (4a), “Modeled” and “Exist E&G SF”. Complete the “Net Change” column on the Tabulation of Affected Space (4b) and enter the summary information in the “Net Change NASF” column on the Space Needs sheet (4a).
- Complete the narrative box “K” in the Space Needs sheet (4a). 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 (e.g., research).
- Complete Program Summary on the Space Detail sheet (4c). Itemize space by name, room use, description, net area, number of same-type spaces, total net area. Sheet will provide subtotals by formula space type. This information provides more details about the project and is an indicator of the institution’s advance planning efforts and understanding of the program.

See Space Needs sheet (4a), box L, Summary Results and Data 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.

See Space Needs sheet (4a), box M, Migration Plan.

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. 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.



## Project Assessment – for Outlay projects

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**Academic Programs** – Provide requested data in the form titled “Academic Documentation” for all Capital Outlay projects.

### 1. State Goals and Drive to 55: 25 Points

The core elements of THEC’s 2015-2025 Master Plan reflect the priorities of the CCTA and the Drive to 55, namely: “*The overriding function of the Plan is to direct higher education to be accountable for increasing the educational attainment levels of Tennesseans, while also: addressing the state’s economic development, workforce development, and research needs....*”

Develop a narrative of no more than 2 pages (8.5” x 11,” Times New Roman, 12 pt.) that details the connections between the project and statewide goals.

Project narratives should address the following as applicable:

- Projected impact on credential production or enhancement in quality of existing credential production;
- Expansion of research and/or public service mission; and
- Labor and workforce dynamics, including any appropriate analysis of local or regional supply/demand data.
- Labor and workforce dynamics, including any appropriate analysis of local or regional supply/demand data.

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

- THEC *Master Plan for Tennessee Postsecondary Education 2015-2025*  
<https://www.tn.gov/content/dam/tn/thec/bureau/research/other-research/master-plan/MasterPlan2025.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 & Strategic Plan: 25 Points

Capital project proposals should develop a narrative of no more than 2 pages, 8.5” x 11”, (Times New Roman, 12 pt.) that links the project with the institution’s strategic plan and master plan. (A limited number of supplemental graphic documents on 8.5” x 11” pages, such as campus plans, graphs, and photographs, may be in addition to the 2-page narrative. The proposal should provide:

- relevant objectives from the strategic plan, with links to the strategic plan where appropriate;
- how the project aligns with state objectives;
- specific references of the proposed project in the current master plan;
- assessment of alternatives to the project that were considered during the planning process to meet the academic and space needs of the institution.





**3. Project Description and Impact on Campus: 21 Points – Community Colleges  
25 Points – TCATs**

Capital outlay proposals should include figures and narratives in the spaces provided in the DB70 workbook. Completion of the workbook will give an overview of the project, confirm the level of pre-planning conducted, give an estimate and preliminary schedule, and demonstrate the need for the project.

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

As described on Page 14, Capital project proposals should include a space-needs analysis in the DB70 project workbook – pages 4a, 4b, and 4c.

**5. External Funding: 8 Points – Community Colleges  
0 Points – TCATs**

**Capital Outlay Scoring Matrix**

The points assigned to each evaluation criteria are detailed below.

<b>Prioritization Criteria</b>	<b>All Universities, CC, and Nonformula Units</b>	<b>TCATs</b>
1. State Goals & the Drive to 55	25	25
2. Strategic Plan and Campus Master Plan	25	25
3. Project Description and Impact on Campus	21	25
4. Space Needs	21	25
Space Needs, Sheets 4a, 4b, 4c (except 4a boxes L and M)	10	12
Summary Results of Facility Condition, Sheet 4a Box L	8	10
Migration Plan, Sheet 4a Box M	3	3
5. External Funding	8	0
<b>TOTAL</b>	<b>100</b>	<b>100</b>



# 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 complete 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 has to 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.



## Capital Maintenance Target Funding by Institution

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

Institution	2014 Target	2015 Target	2016 Target	2017 Target	2018 Target
ChSCC	3,518,609	3,984,524	4,102,314	4,206,607	4,295,830
CISCC	1,660,433	2,165,773	1,879,733	1,898,720	1,914,741
CoSCC	1,617,260	1,988,548	1,703,954	1,738,030	1,772,107
DSCC	897,832	1,109,694	1,161,635	1,223,983	1,257,984
JSCC	1,413,630	1,760,272	1,829,290	1,855,519	1,891,363
MSCC	1,089,180	1,401,057	1,448,734	1,498,480	1,548,225
NaSCC	1,478,202	2,118,586	2,172,308	2,255,231	2,403,594
NeSCC	886,652	1,108,312	1,158,470	1,202,498	1,246,526
PSCC	2,371,566	2,550,198	2,849,532	3,304,635	3,398,954
RSCC	1,565,802	1,957,393	2,132,796	2,269,367	2,354,253
STCC	3,076,774	4,035,809	4,263,555	4,415,210	4,561,906
VSCC	1,626,731	2,065,655	2,143,739	2,375,133	2,464,148
WSCC	2,582,451	3,134,616	3,162,956	3,464,794	3,570,989
<b>colleges</b>	<b>23,785,122</b>	<b>29,380,438</b>	<b>30,009,016</b>	<b>31,708,207</b>	<b>32,680,618</b>
<b>TCATs</b>	<b>6,855,533</b>	<b>8,392,889</b>	<b>9,189,481</b>	<b>9,385,148</b>	<b>9,617,105</b>
<b>TOTAL</b>	<b>30,640,655</b>	<b>37,773,327</b>	<b>39,198,497</b>	<b>41,093,355</b>	<b>42,297,723</b>

### 2018 System Statistics

	Education & General gross square footage E&G GSF square feet	Average Age years	Median Age years	Building Replacement Cost dollars
Colleges	8,021,720	34.0	36	1,993,733,250
TCATs	2,260,150	36.6	39.0	499,843,740
<b>TOTAL</b>	<b>10,281,870</b>			<b>2,493,576,990</b>

### Formula for Annual Target Funding

Source - FM Data Monthly, August 1997

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

2019-2020 Target Funding for Capital Maintenance

**\$42,297,723**



# History of Appropriations

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

FY18/19 Gov Rec	43,762,000	24,790,000	68,552,000
Fiscal Year	Outlay	Maintenance	Total
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
2008-2009	0	5,550,000	5,550,000
10-year total:	495,319,000	113,246,000	608,565,000
10-year average:	49,531,900	11,324,600	60,856,500

**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.

