



**COLORADO**

**Colorado Commission on  
Higher Education**

Department of Higher Education

**INSTRUCTION MANUAL FOR  
HIGHER EDUCATION FACILITIES,  
PROGRAM PLANNING AND BUDGETING**

**FISCAL YEAR 2018-19**

ISSUED BY THE  
COLORADO DEPARTMENT OF HIGHER EDUCATION

REVISED MAY 1, 2017



**COLORADO**

Department of  
Higher Education

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Denver, CO 80202

John Hickenlooper  
Governor

Dr. Kim Hunter Reed  
Executive Director

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## MEMORANDUM

TO: Higher Education Facility Planners  
Higher Education Budget Officers

FROM: Catherine Olukotun, Lead Finance Analyst

DATE: May 1, 2017

SUBJECT: Capital Construction Budget Requests for Fiscal Year 2018-19

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Attached is the Department of Higher Education (CDHE or Department) "Instruction Manual for Higher Education Facilities, Program Planning and Budgeting for FY 2018-19." Please review the manual for instructions on how to submit requests and please adhere to the deadlines set forth in the schedule. The manual, deadlines and forms have been updated to be in alignment with the Office of the State Architect (OSA) instructions and compliant with State statute. Starting with FY 2018-19, institutions of higher education (IHEs) are to request Capital Renewal projects using the CCHE Capital Construction/Capital Renewal (CC\_CR) form and will no longer submit the OSA CM-3 form as in previous years.

A detailed breakdown of the Colorado Commission on Higher Education (CCHE) prioritization criteria, scoring and weights can be found in Appendix C. A description of the process is included on page 14 of this manual. **Please include all information related to the prioritization criteria to be considered by staff about a project in the Capital Construction/Capital Renewal narrative form (CC\_CR-N).**

CCHE will prioritize all approved projects submitted pursuant to the attached prioritization criteria (Attachment C). CCHE's priority list will be submitted directly to the Office of the State Architect (OSA) and the designated General Assembly committees for consideration along with the Governor's statewide priority list. CCHE's submission to the Office of State Planning and Budgeting (OSPB) is limited to the top 20 CCHE prioritized projects. Governing boards and institutional staff should continue to use their best judgment in determining when to update obsolete program plans. Institutions should continue to submit a three-year program plan waiver if the program plan is over three years old.

CCHE will continue to review and approve planning documents and capital construction capital renewal project requests for all institutions of higher education and recommend a prioritized list to OSPB and the designated General Assembly committees. OSPB will submit a prioritized list of capital construction and controlled maintenance project requests and their respective recommended funding levels directly to the Joint Budget Committee (JBC).

If you have any questions on the content of this manual, please contact Catherine Olukotun at (303) 862-3021 or [catherine.olukotun@CDHE.state.co.us](mailto:catherine.olukotun@CDHE.state.co.us)

## ANNUAL SUBMISSION INSTRUCTIONS FOR FY 2018-19

### TABLE OF CONTENTS

		FORM ID	PAGE
<b>SECTION 1</b>	<b>GENERAL INFORMATION (CC/CR/CM)</b>		
1.1	Purpose		1
1.2	Statutory Authority		1
1.3	Project Types and Definitions		1
1.4	Budget Request Submission Process		5
1.5	Submittal Forms		6
1.6	Inflation Factor		7
1.7	Depreciation of Capital Assets		7
1.8	Budget Request Submission Transmittal		7
1.9	Budget Request Submission Schedule		8
1.10	Appropriated Project Timeline		9
<b>SECTION 2</b>	<b>CAPITAL CONSTRUCTION/CAPITAL RENEWAL (CC_CR)</b>		
2.1	Program Plans		10
2.2	Evaluation Criteria for Capital Construction/Capital Renewal Requests		12
2.3	Prioritization Process		14
2.4	Instructions for the Five-Year Capital Construction/Capital Renewal Program Plan	CC_CR-P	15
2.5	Instructions for the Capital Construction/Capital Renewal Request - Narrative	CC_CR-N	17
2.6	Instructions for the Capital Construction/Capital Renewal - Cost Summary	CC_CR-C	21
2.7	Instructions for the Supplemental Capital Construction/Capital Renewal Request - Narrative	CC_CR-N_B	28
2.8	Instructions for the Supplemental Capital Construction/Capital Renewal Request - Cost Summary	CC_CR-C_B	30
<b>SECTION 3</b>	<b>CAPITAL CONSTRUCTION INFORMATION TECHNOLOGY (CC_IT)</b>		
3.1	Instructions for the Capital Construction Information Technology (IT) Five Year Plan, Cost Summary, & Narrative Forms	CC_IT-P CC_IT-C CC_IT-N	36
<b>SECTION 4</b>	<b>CAPITAL CONSTRUCTION CASH FUNDED PROJECTS</b>		
	Cash Funded Projects	CC-C2; CC-LCF	44
<b>APPENDIX A</b>	CCHE Statutory Authority for Capital Construction/Capital Renewal Budget Request Process		A1
<b>APPENDIX B</b>	Capital Construction and Controlled Maintenance Definitions		B1
<b>APPENDIX C</b>	FY 2018-19 Criteria and Scoring Method		C1

## SECTION I: GENERAL INFORMATION

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All sections of these instructions apply to public Institutions of Higher Education. For State agencies, please refer to the Office of the State Architect (OSA) website for instructions and forms.

### 1.1 PURPOSE

The purpose of these instructions is to outline the process for requesting state funds for higher education capital construction (including IT projects) and capital renewal projects. After reviewing submissions received through this process, the Colorado Commission of Higher Education (CCHE) and the Department of Higher Education (CDHE) staff will evaluate and prioritize each capital construction/capital renewal request and make funding recommendations to the Governor's Office of State Planning and Budgeting (OSPB) and the Capital Development Committee (CDC) of the general assembly. Copies of all submissions will be forwarded to the Office of the State Architect (OSA).

The Department of Higher Education (CDHE) is charged, by statute (C.R.S. 23-1-106), to establish standards and procedures for higher education institutional submissions of capital construction program plans, to make budget recommendations on institutional capital construction requests, and to review and approve institutional capital construction program plans and facility master plans that are consistent with the role and mission of each institution (see Appendix A for statute). With the concurrent approval of the Office of State Planning and Budgeting (OSPB), and the staffs of the legislative Capital Development Committee (CDC), Joint Technology Committee (JTC), and the Joint Budget Committee (JBC), CDHE, annually issues an instruction manual for higher education capital projects. These CCHE instructions replace the Capital Construction Budget Request Submission Instructions and forms previously issued by CCHE in FY 2017-18.

This manual discusses CDHE budgeting and planning processes for state and cash funded capital and information technology projects for state-supported higher education institutions. It includes a list of deadlines for the FY 2018-19 budget year; the processes CDHE follows in reviewing various budget documents and capital construction projects; guidelines for submission criteria for state-funded capital construction requests; the CDHE prioritization policy for ranking state-funded projects; and instructions for completing the various applicable budget forms. These forms and the instruction manual are available on the Department's website at <http://higher.ed.colorado.gov/Finance/Capital/>.

### 1.2 STATUTORY AUTHORITY

Per state law, (C.R.S. 23-1-106), the Commission must annually submit a list of state-funded requests to the Office of State Planning and Budgeting (OSPB), the Office of the State Architect (OSA), the Capital Development Committee (CDC), and the Joint Budget Committee (JBC) consistent with the executive budget timetable. In addition, the Commission must annually transmit the recommended priority of funding of capital construction or capital renewal projects to the capital development committee no later than November 1 of each year.

For the full statutory reference, please see **Appendix A**.

### 1.3 PROJECT TYPES AND DEFINITIONS

A project qualifies for capital construction or capital renewal if it meets the criteria in 24-30-1301, C.R.S., and as listed below.

#### A. Capital Construction Project:

Capital Construction project requests require a large and temporary outlay of funds for the acquisition, construction, renovation, and maintenance of capital assets which exceed the Capital Outlay threshold of \$50,000 and include:

- 1) Acquisition of a capital asset or disposition of real property.
- 2) Construction, demolition, remodeling, or renovation of real property necessitated by changes in the program, to meet standards required by applicable codes, to correct other conditions hazardous to the health and safety of persons which are not covered by codes, to effect conservation of energy resources, to effect cost savings for staffing, operations, or maintenance of the facility, or to improve appearance.
- 3) Site improvements or development of real property (landscaping, upgraded utilities, signage etc.)
- 4) Installation of the fixed or moveable equipment necessary for the operation of new, remodeled, or renovated real property, if the fixed or movable equipment is initially housed in or on the real property upon completion of the new construction, remodeling, or renovation.
- 5) Installation of the fixed or movable equipment necessary for the conduct of programs in or on real property upon completion of the new construction, remodeling or renovation.
- 6) Contracting for services from architects, engineers and other consultants to prepare plans, program documents, life-cycle cost studies, energy analyses and other studies associated with capital construction and to supervise construction or execution of such capital construction.
- 7) Preliminary planning including initial review of proposed projects for a) conformity with long-range development plans; b) technical and economic feasibility of the project; c) preparation of outline plans and specifications; or d) preparation of preliminary cost estimates.

**Maintenance Driven Projects:** can be defined as those projects arising out of the deterioration of a facility's physical and functional condition, including site and infrastructure, and the ability to comply with current building and life safety codes and various certifications and standards. These types of projects would be considered as controlled maintenance or capital renewal.

#### B. Capital Renewal Projects:

Capital Renewal project requests are defined in statute (CRS 24-30-1301(3)), as a controlled maintenance project of real property or more than one integrated controlled maintenance projects of real property with costs exceeding two million dollars per phase in a fiscal year and that is more cost effective or better addressed by corrective repairs or replacement to the real property rather than by limited fixed equipment repair, replacement, or smaller individual controlled maintenance projects.

The following expenses are **NOT** allowed in any capital construction or capital renewal budget request:

- 1) Printing, publishing, photocopying, and other similar costs related to project administration;

- 2) Postage, certified mailings, long-distance telephone charges, etc.
- 3) Employee compensation or reimbursement for time performing project-related work regardless of the work performed;
- 4) Reimbursement of "in-town" expenses such as food, fuel, etc.
- 5) Travel and lodging expenses directly related to project management;
- 6) Renting or leasing temporary space for people and equipment to accommodate construction projects; these costs must be paid from operating funds.

**C. Institutional Project Funding Types:**

State Funded projects can use only capital construction funds (CCF) or capital construction funds and a mixture of cash funds (CF, RF, FF). These projects are evaluated and prioritized by CCHE.

Cash Funded projects are projects that are funded with either 100% cash funds (CF), or a mixture of cash funds and federal funds. Cash funded projects are not prioritized with state funded projects.

**D. Capital Construction Information Technology Projects:**

"Information technology" projects are defined as information technology and computer-based equipment and related services designed for the storage, manipulation, and retrieval of data by electronic and mechanical means, or both. The term includes, but is not limited to:

- 1) Central processing units, servers for all functions, and equipment and systems supporting communications networks;
- 2) All related services, including feasibility studies, systems design, software development, system testing, external off-site storage, and network services, whether provided by State employees or others;
- 3) The systems, programs, routines, and processes used to employ and control the capabilities of data processing hardware, including operating systems, compilers, assemblers, utilities, library routines, maintenance routines, applications, application testing capabilities, storage system software, hand-held device operating systems, and computer networking programs; and
- 4) The application of electronic information processing hardware, software, or telecommunications to support State government business processes.

Capital Construction Information Technology requests are evaluated and prioritized by CCHE alongside all other capital projects and they are submitted to OSPB and the Joint Technology Committee (JTC) of the General Assembly.

**E. Supplemental Project Requests:**

Supplemental project requests, regardless of funding source, are limited to specific circumstances. The purpose of a supplemental capital construction or capital renewal request is to provide a method for adjusting previous year(s) appropriations or to use funds realized in a prior fiscal year. In rare cases supplemental requests (1331 Emergency Supplemental) are used to make funds available earlier than the Long Bill would allow.

Supplemental Criteria - In the past, the JBC directed that supplemental requests be based on one of the following criteria:

- An emergency or act of God;
  - A technical error in calculating the original appropriation;
  - Data which was not available when the original appropriation was made, and/or
  - An unforeseen contingency, such as a significant workload change.
- 1) **Regular Supplemental Requests:** are used to add funds, reduce funds, change the approved scope of a project, extend the amount of time an institution has to spend an appropriation, or to make other technical corrections. Regular supplemental requests for capital construction are due to CDHE and a copy to OSPB and if approved, are forwarded to the CDC & JBC by OSPB in November. **Regular supplemental requests for Capital Renewal projects must be submitted directly to the Office of the State Architect (OSA) with copies to CDHE.**
  - 2) **1331 Emergency Supplemental Requests:** are limited to emergency situations that require legislative action during an interim between legislative sessions. 1331 emergency supplemental requests are allowed under the provisions of HB 98-1331. The HB 98-1331 process has been used to address both emergency issues as well as to correct technical errors. This process should be used to address those issues that cannot wait to be addressed through the regular supplemental process. For 1331 emergency supplementals, the CDC and JBC can direct the State Controller to issue capital construction spending authority without the passage of a bill. If approved by the JBC, these requests require subsequent approval by the General Assembly in the next legislative session.

1331 Emergency Supplemental requests shall be submitted to CDHE and copied to OSPB, any time during the interim between legislative sessions. Institutions must obtain approval from CDHE and OSPB before emergency supplemental requests are forwarded to the CDC. **1331 Emergency Supplemental requests for Capital Renewal projects must be submitted directly to the Office of the State Architect (OSA) with copies to CDHE.**

#### F. Real Property:

Real Property means a facility, State-owned grounds around a facility, a campus of more than one facility and the grounds around such facilities, State-owned fixtures and improvements on land, and every State-owned estate, interest, privilege, tenement, easement, right-of-way, and other right in land, legal or equitable, but not including leasehold improvements.

For purposes of CDC review, Real Property does not include:

- 1) Land or any interest therein acquired by the Department of Transportation and used, or intended to be used, for right-of-way purposes;
- 2) Land or any interest therein held by the Division of Parks and Wildlife and the Parks and Wildlife Commission in the Department of Natural Resources; and
- 3) Public lands of the State or any interest therein are subject to the jurisdiction of the State Board of Land Commissioners.

#### G. Life-Safety/Loss-of-Use:

- 1) Life-Safety - For a project to be considered critical, the project must predominately address facility deficiencies (code compliance) related to the health, safety, and welfare of the occupants and the public. The request will be considered as to the significance of the hazard or risk the facility conditions pose and the immediacy of the time frame requested to address those concerns.
- 2) Loss-of-Use - A project may be considered critical if it addresses imminent loss-of-use due to facility deficiencies. These projects predominately address facility deficiencies related to imminent failure of mechanical, electrical, structural systems, etc., standards, and or accreditation requirements of a program. Critical loss-of-use projects would directly result in the inability of that program to function in the related area and/or the funding necessary to sustain that program.

#### H. Funding Source:

- 1) "CCF" means Capital Construction Funds. These monies include funds appropriated or transferred into the Capital Construction Fund, which is designated as a reserve fund in Section 24-75-302 (1) (a).
- 2) "CF" means Cash Funds. Cash Funds are those funds derived from sources such as fees, tuition, other earmarked funds, grants, donations, damage awards, revenues from designated enterprise functions (student housing and dining, bookstore, student union, etc.), and from sales of property. The General Assembly may also appropriate funds to a cash fund or trust fund from another source.
- 3) "RF" means Reappropriated Funds. Reappropriated funds are those funds appropriated more than once in the same fiscal year and typically have been transferred from one agency to another.
- 4) "FF" means Federal Funds. Federal funds are any funds received directly from the federal government; includes categorical or block grants not necessarily available for uses outside of those specified in the grant award.

### 1.4 BUDGET REQUEST SUBMISSION PROCESS

#### A. CCHE/CDHE Responsibilities:

CCHE/CDHE reviews, approves, prioritizes and recommends all state funded and cash funded capital construction, capital renewal, and IT project requests from institutions of higher education. These requests are due to CDHE in July as per Section 1.9, Budget Request Submission Schedule. Requests not received by the established deadline at CDHE may not be approved. CDHE sends the institutions of higher education list of 100% cash funded projects directly to the CDC.

CDHE also reviews and approves all Capital Construction Regular and 1331 Emergency Supplemental requests from institutions. Regular Supplementals are due to CDHE and copied to OSPB in November as per Section 1.9, Budget Request Submission Schedule. 1331 Emergency Supplementals are reviewed as required due to their circumstances. CDHE will provide copies of all capital documents and supplementals to the Office of the State Architect (OSA) for technical review.



Prior to the submission due date, CDHE staff may conduct site visits at institutions of higher education during the months of May, June, and July. The site visit will review the status of facilities that may be considered for state funding.

**State-funded program plan requests for CCHE approval will not be considered outside of the normal State budget cycle. CCHE will not review and/or approve program plans for any state-funded projects after July 28, 2017 for FY2018-19.**

**B. OSA Responsibilities:**

OSA reviews, approves and recommends all state funded and cash funded capital construction/capital renewal project request documents received directly from State agencies and reviews, approves and prioritizes all controlled maintenance project request documents received directly from State agencies and institutions of higher education. Requests not received by the established deadline at OSA may not be approved.

**OSA reviews and approves all regular and 1331 Emergency Capital Renewal Supplementals from institutions of higher education.** Regular Supplementals are due to OSA and copied to OSPB in November. 1331 Emergency Supplementals are reviewed as required due to their circumstances.

**C. OSPB Responsibilities:**

OSPB annually reviews, approves, and prioritizes all CCHE recommendations for State funded capital construction, capital renewal, and IT project requests and CCHE's higher education capital construction recommendations for funding into one prioritized list.

OSPB does not review or prioritize 100% cash-funded projects for institutions of higher education, these go directly to the CDC from CDHE at the same time OSPB submits their list to the JBC.

Unlike other budget documents, only OSPB submits approved and prioritized State-funded capital requests directly to the CDC. CDC submits a statewide list of funding recommendations to JBC. State agencies shall not submit any request directly to the CDC or the JBC. Any request submitted directly to the CDC or the JBC are considered unapproved by OSPB and OSA.

**1.5 SUBMITTAL FORMS**

Below is a summary of the required forms to submit a capital construction, capital renewal, or capital IT request for state funding:

**CAPITAL CONSTRUCTION FORMS (<http://highered.colorado.gov/Finance/Capital/>)**

Form ID	Title	Document Type
CC_CR-P	Five-Year Capital Construction/Capital Renewal Project Plan	Excel
CC_CR-N	Capital Construction/Capital Renewal Request - Narrative	Word
CC_CR-C	Capital Construction/Capital Renewal Request - Cost Summary	Excel

CC_IT-P	Five-Year Capital IT Project Plan	Excel
CC_IT-C	Capital IT Request - Cost Summary	Excel
CC_IT-N	Capital IT Request - Narrative	Word
CC_CR-N_B	Supplemental Capital Construction/Capital Renewal Request - Narrative	Word
CC_CR-C_B	Supplemental Capital Construction/Capital Renewal Request - Cost Summary	Excel
CC-C2	Cash Funded Capital Request - Narrative	Word
CC-LCF	Two-Year Cash List	Excel

### 1.6 **INFLATION FACTOR**

The Office of State Planning and Budgeting is requiring that institutions indicate the assumed inflation factor for each year for each major component on the Cost Summary (CC\_CR-C) (professional services, construction or improvement, and equipment and furnishings).

OSPB recommends that institutions of higher education use industry standard construction cost data references or the Engineering News Record (ENR) building cost index by applying a four year average of ENR historic indexes. OSPB recommends using ENR's regional average instead of the Denver percentages. Estimates should be based on the mid-point of the construction period included in the request. If other assumptions are used, they should be fully explained in the document.

### 1.7 **DEPRECIATION OF CAPITAL ASSETS**

During the 2016 legislative session, the General Assembly passed Senate Bill 16-020, which clarified calculation issues related to capital depreciation set asides required by S.B. 15-211. The annual capital depreciation amount will be calculated only after a project is completed and the full cost is known. Depreciation calculations must be annually submitted to CDHE in the no later than August 30th. Capital assets eligible for depreciation transfers to the Controlled Maintenance Trust Fund are for appropriated projects starting in FY 15-16. CDHE staff will send institutions instructions and the form necessary to comply with this statutory requirement.

### 1.8 **BUDGET REQUEST SUBMISSION TRANSMITTAL**

The CDHE transmittal form is to accompany all capital construction, capital renewal, and capital IT requests. **Institutions of higher education are required to use the OSA transmittal form for their controlled maintenance request submissions and annual facility management reporting to OSA.** The form is available on OSA's website along with all required capital construction/capital renewal and controlled maintenance request forms.

Institutions of higher education shall forward one electronic copy of all the required forms in appropriate electronic format, for each project and reporting requirement per Section 1.9, Budget Request Submission Schedule. All electronic submittal should be addressed to Cat Olukotun. A hard copy submission is not required.

## 1.9 BUDGET REQUEST SUBMISSION SCHEDULE

May	1	CDHE issues capital construction, capital renewal, and capital IT request submittal instructions for FY2018-19.
	4 weeks before CDC scheduled meeting*	1331 Emergency Supplemental requests are due to CDHE.
July	28	All FY2018-19 higher education state-funded capital construction, capital renewal, and capital IT requests due to CDHE.
August	12	CDHE submits un-prioritized higher education state-funded capital construction, capital renewal, and capital IT requests to OSPB, OSA, CDC, JBC and JTC.
	4 weeks before CDC scheduled meeting*	CDHE staff reviews and completes the initial scoring of state-funded capital requests for institutions of higher education 1331 Emergency Supplemental requests due to CDHE.
September	11-22	CDHE staff works with Fiscal Affairs and Audit sub-committee on prioritizing capital project requests.
	1	Higher education Cash Funded Capital Projects Report FY 2016-17 due to CDHE (209/290 report).
	1	Higher education Two-Year Capital Construction list of Cash Funded Projects (FY 2018-19 through FY 19-20) and project documentation due to CDHE.
	15	CDHE receives feedback from OSA regarding institutions of higher education capital renewal requests.
	30	CDHE forwards list of 100% cash funded projects and proposals to OSPB, CDC, and JBC.
October	9-16	CDHE staff works with CCHE Fiscal Affairs and Audit sub-committee to prioritize state-funded capital project requests.
	23	CCHE approves FY18-19 state-funded prioritized capital list to be forwarded to OSPB, CDC, JTC, and JBC.
November	1	CDHE submits CCHE state-funded prioritized capital list to OSPB, CDC, JTC, and JBC with copies to OSA.
December	8	CDHE submits non-prioritized supplemental requests to OSPB.

\* Note that all 1331 Emergency Supplemental Requests must be approved by the CDC prior to submission to the JBC. Submit any such requests with sufficient time to ensure that CDHE, OSPB and CDC each have at least two weeks to review them.

#### 1.10 APPROPRIATED PROJECT FISCAL TIMELINES

Appropriated capital construction and capital renewal projects must meet three State fiscal rules. If these projects do not meet the fiscal rules they risk having the funds withdrawn, particularly in times when State revenues are insufficient to meet the State government budget:

- A. **The six month rule**, states that all major professional services (i.e. architect and engineering services) must be encumbered within six months from the time the Long Bill becomes law. For those projects not requiring professional services, the entire amount of the project must be encumbered within six months;
- B. **The one-year rule**, states that all projects must be initiated within one year from the appropriation as demonstrated when expenses for the project have been incurred; and
- C. **The three-year rule**, states that all projects have three years to completely encumber their funds, beginning in the first full fiscal year after a the Long Bill is signed and becomes law. The three-year rule can only be modified by General Assembly action in an appropriations bill, and therefore requires a budget action submitted through OSPB.

END OF SECTION 1

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STATE OF COLORADO  
 COLORADO DEPARTMENT OF HIGHER EDUCATION

ANNUAL CAPITAL SUBMISSION INSTRUCTIONS FOR FY 2018-19

SECTION 2: CAPITAL CONSTRUCTION/CAPITAL RENEWAL

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This section applies to Institutions of Higher Education (IHEs) for capital construction/capital renewal and supplemental project request submissions. For State agencies capital construction/capital renewal budget request submission instructions refer to the Office of the State Architect.

The Colorado Commission on Higher Education (Commission) annually prioritizes all state-funded (Capital Construction Funds or CCF) capital construction project requests prior to submission to the General Assembly. Projects costing less than \$2 million in state funds that are granted a waiver from the program planning requirements are prioritized alongside projects with costs exceeding \$2 million. Prioritized state-funded projects must have approved program plans that are consistent with all statutory requirements, the statutory role and mission, the campus facilities master plan, and recommended space and utilization standards, where applicable.

For FY 18-19, the scored prioritization list will be reviewed, adjusted, and approved by the Fiscal Affairs and Audit Standing Committee and CCHE prior to submission to OSA, OSPB and the General Assembly on November 1, 2017.

## 2.1 PROGRAM PLANS

Program plans are required for most public higher education capital construction projects. Only five types of capital construction projects do **NOT** need program plans. These are:

- Capital construction projects or acquisitions costing less than \$2 million;
- Capital construction projects or acquisitions costing \$2 million or less and constructed, operated and maintained with institutional cash funds;
- Capital construction projects or acquisitions constructed, operated and maintained with federal funds;
- 100% cash-funded projects for institutions of higher education who are not participating in the Intercept Program;
- Capital renewal projects for which the CC\_CR form is required; and
- Controlled maintenance requests.

All other new capital requests require program plans. Program plans must follow applicable policy in CDHE Policy Section III, Part E - Facilities Program Planning (<http://higher.ed.colorado.gov/Publications/Policies/#ca>)

CDHE reviews the program plans for:

- Consistency with the institution's role and mission, academic, facility, and technology master plans(if applicable); and state higher education policy;
- Consistency with campus facilities master plan and academic master planning;
- Alternative facilities solutions and life-cycle costs as required by CCHE;
- Appropriateness of source of funds, cost estimate methods, financing implications, impact on operations and maintenance at projected enrollment increments.

Each program plan should receive the approval of the institution's governing board within 30 days of submission to CDHE. The governing board should send to CDHE a letter stating the date and vote of the approval. The governing boards should affirm that the program plan:

- Conforms with the institution master plan as well as the academic plan;
- Benefits the educational program housed in the facility;
- Includes operating and capital costs that are appropriate to the educational program and to the source and method of financing;
- Is included in the institutional five-year capital construction program schedule;
- For technology projects, affirm that the project is aligned with the institution's technology plan.

All program plans should include a third-party independent review (one performed by an engineer, architect, or information technology expert, if applicable, who is not an employee of the institution) that covers:

- Compliance with applicable codes;
- Completeness and accuracy of the project cost estimate;
- Appropriateness and thoroughness of the methodology used for cost estimating (Means or Dodge published cost data, historical costs from previous projects, cost estimating consultant, in-house cost estimating, etc.); and
- Validity of the alternative chosen.

Program plans submitted to CDHE previously that were not funded for FY 17-18 and are over three years old will not be considered for FY 18-19 unless the governing board certifies that:

- The plan's space use assumptions have not changed, incorporating information on completed new construction and renovation since the original submission;
- The plan's education and enrollment assumptions remain valid, reflecting any changes from the previous year in enrollment and degree or program offerings;
- The capital costs remain valid and that any unusual construction issues resulting from the delay have been addressed; and
- Any new code requirements will be met and that cost estimates are appropriately adjusted to reflect any changes.

The certification should demonstrate the validity of the information above and the Department may request additional information as needed to confirm that these program assumptions remain valid. The governing board must indicate in its priority statements that such unimplemented program plans either retain their previous prioritization or have been reprioritized. In addition, a "Three-Year Program Plan Waiver" form (<http://higher.ed.colorado.gov/Finance/Capital/>) should be submitted along with the governing board certification.

### Program Plan Waivers

Requests for exemptions from the statutory requirements of program and physical planning may be granted for projects if:

- The capital construction project has \$2 million or less in state funding;

- The capital construction project is for new construction and funded solely from cash funds held by the institution; or
- If the project value is \$10 million or less and it is not for new construction and funded solely from cash funds held by the institution.

The waiver request should include information such as the name of the project; the program or department impacted by the project (campus wide if it benefits the entire campus); the assignable and gross square feet the project involves; the increase, if any, to operation and maintenance costs; and a project description, with site maps or other information included when applicable. It should also include reference to the institutional master plan. The total scope of the project should be discussed if the waiver request is part of a phased project that will be completed in the future or if it complements or completes an earlier project. Institutions should not break a much larger capital construction program into smaller projects to avoid doing program plans. Program plan waivers for projects requiring capital construction funds money are prioritized with all other state-funded projects using the same criteria and scoring process. Institutions are not required to request a waiver from the program planning requirements for non-Intercept cash funded projects under \$2 million.

## 2.2 EVALUATION CRITERIA FOR CAPITAL CONSTRUCTION/CAPITAL RENEWAL REQUESTS

For the FY2018-19 budget cycle, which includes FY 2017-18 supplemental requests, the State will continue to experience extreme limitations in the funding available for capital construction. OSPB anticipates that it will be able to approve funding requests for very few new capital construction projects, if at all. As institutions consider their capital funding needs, they are encouraged to consider this limitation in available revenue and prioritize their requests accordingly.

Therefore, governing boards should use discretion in selecting projects to submit for review. A governing board wishing to make a “statement of need”, or attempting to “reserve a place” for projects should utilize the out-years provided on the CC\_CR-P form. CDHE will accept and review all FY 18-19 proposals for state funded projects.

The same prioritization criteria used for the FY 2017-18 requests will be used for the FY 2018-19 requests. No new revisions or changes were made to the criteria. The prioritization process, criteria, and scoring are described below and are listed in greater detail in Appendix C.

The review process for capital budget requests has not changed. The Fiscal Affairs and Audit Standing Committee will work with staff to create a prioritized list that will be voted on and sent to the Commission as a whole. **The Department will not accept PDF submissions for any documents except for Program Plans.**

### Certificates of Participation (COPs)

In lieu of issuing bonds, or using another form of long-term debt, the state often uses a form of lease-purchase agreement called certificates of participation (COPs) to finance the construction of new facilities. The state makes annual payments authorized through the annual budget bill (Long Bill) that include both principal and interest. COP payments will continue to be prioritized due to the State’s payment obligation and will continue to be part of the capital budget until moved to the appropriate operating line once construction ends.

### Continuation Projects

CCHE will treat continuation projects by prioritizing them ahead of new projects. CCHE defines a continuation project as a state-funded capital request that was:

- 1) Appropriated in a previous year's Long Bill with Capital Construction or General Funds and the institution received funding for that project; or
- 2) Appropriated in a previous year's Long Bill with Capital Construction or General Funds and the institution did not receive funds because the project was de-appropriated due to state budget cuts; and
- 3) Included as the out-year funding from a prior request. The out-year funding must have been included in a prior CC-C request that was funded for the initial year.

Continuation projects are prioritized first by length of time since the project's most recent state-funded appropriation (with more years equaling a greater priority) and then by CCHE priority within each year. The only exceptions to whether a project is considered continuation will be for projects whose program plan changes significantly from year to year or for a project that did not include out-year funding in the most recent CC-C request. A significant change would include a programmatic change to the project. A significant change would not constitute a change in cost due to more information being available, (e.g., after design, unforeseen complications) or changes in prices due to inflation. See the example below for more information on how continuation projects would be prioritized.

Projects that have not yet been funded (whether submitted in a previous request year or not,) will be prioritized according to the criteria and scoring process outlined below and in Appendix C. These projects will come after COPs and continuation projects on the CCHE's priority list.

The review criteria below apply to capital construction and capital renewal project requests. Each capital construction/capital renewal project request will be evaluated by CDHE staff per the Colorado Commission on Higher Education (CCHE) criteria below as to the level of applicability and ranked accordingly on CCHE's recommended project list to OSPB.

Evaluation Criteria	Capital Construction Prioritization FY 2018-19	Total Max. Points
Significant Health, Life Safety, and Code Issues	Projects with clear and urgent life or safety implications.	10
Other Fund Sources	Other fund sources include projects that are funded partly by non-state fund. Projects will receive 75% credit for cash pledged that includes student fee funds.	15
Space Needs Analysis	Space needs analysis reflects how much space the institution or department has in its inventory, justification on how well the space needs are filled by the request, and how much space it needs based on the Master Plan, FTE projections, or student enrollment projections.	10
Clear Identification of Beneficiaries	The request must clearly identify the individuals that will be served and how they will be better served by the project requested.	8
Achieves Goals	Integral to achieving statewide policy goals/integral to institutional planning goals.	5
Governing Board Priority	Projects will receive points based upon the priority that the governing board has assigned to each project.	20



**NOTE:** Institutions should include ALL information about how a project fits the given criteria in their program plan and/or the CC\_CR-C Word form in order to receive the proper and accurate scoring from CDHE.

### 2.3 PRIORITIZATION PROCESS

Higher education capital projects that have not been funded, whether submitted in a previous request year or not, are to be prioritized according to the criteria and process outlined below. These projects would come after Certificates of Participation (COPs) and continuation projects (projects which were funded in the previous fiscal year) on the CCHE's priority list. Projects that do not fall under the categories of COP or continuation are considered new projects.

The process for prioritization of new projects includes scoring projects with the criteria outlined below, calculating the percentage of total points for each project, and further review by the Fiscal Affairs and Audit (FAA) committee.

Projects will be scored on six criteria:

- Health, Life, Safety and Code Issues (10 points possible, if applicable)
- General Fund Impact and Other Fund Sources (15 point possible)
- Space Needs Analysis (10 points possible, if applicable)
- Clear Identification of Beneficiaries (8 points possible)
- Achieves Goals (5 points possible) Governing Board Priority (20 points possible)

**TOTAL Points Possible: 68 points**

- a) "Health, Life Safety, and Code Issues" and "Space Needs Analysis" may not apply to every project, and if the criterion does not apply, those points will not be included in the denominator. For example, a capital renewal project will not have a space needs analysis component because a capital renewal project only addresses health, life safety and code issues. Therefore, a capital renewal project would only be worth a total of 58 points. For a new building that is just addressing space needs issues that have resulted from increased enrollment on a campus or program, "Health, Life Safety and Code Issues" would not apply and those ten points would not be included in the denominator for that project.
- b) After a project is reviewed and scored, staff will calculate the percentage of total points each project received. Total points (the denominator) will be either 58 or 68. Projects will then be put into a draft prioritization based upon their percentage score.
- c) Requests for Controlled Maintenance are to be submitted directly to the Office of the State Architect (OSA) who will propose projects to the Office of State Planning and Budgeting (OSPB) and CDHE. The scoring criteria for Controlled Maintenance projects are determined by OSA.
- d) Projects for which capital construction funds (CCF or state-funds) funding is requested for all or part of the total costs in a given fiscal year are classified as state-funded, and are prioritized with all other state-funded projects. State-funded projects can be for anything defined as capital construction (see Appendix B). CDHE reviews state funded requests according to the criteria listed above, and prioritizes them prior to forwarding them to the Office of State Planning and Budgeting, and then on to the General Assembly. The types of state-funded projects listed below have special requirements.

### CAPITAL RENEWAL PROJECTS

This category is intended for large controlled maintenance projects (that is, projects that are maintenance-driven, not program-driven) costing \$2 million or more. Institutions should submit both the CC\_CR-C and CC\_CR-N forms in lieu of a program plan to CDHE. The CC\_CR forms

should be accompanied by an explanation of how the project is maintenance-driven, not program-driven. CDHE determines whether the projects are truly maintenance driven and arise from deterioration of a facility's physical and functional condition and the inability to comply with current codes and energy conservation rather than from programmatic needs. OSA then completes the review of the projects. If approved by both CDHE and OSA, the project is forwarded to OSPB for review and possible inclusion in the state-wide prioritization list. If there is any question on if a specific project meets the definition and qualifies as a capital renewal project or if it is a program-driven request, institutions should consult with CDHE and OSA staff.

State-funded Capital Renewal requests do not require a Program Plan if CCHE has approved a Program Plan within the past ten years. However, justification for these projects should be described fully on the Narrative (CC\_CR-N). Facility management plans that support the request should be submitted along with the request. Capital Renewal project requests will be reviewed along with all state-funded capital construction project requests.

#### 2.4 INSTRUCTIONS FOR THE FIVE YEAR CAPITAL CONSTRUCTION/CAPITAL RENEWAL PROJECT PLAN: CC\_CR-P

Each institution of higher education must submit a CC\_CR-P form if it anticipates beginning any state funded capital construction project through FY 2022-23. The form is to alert CDHE and other state agencies about possible future projects planned within a five-year period and to help ensure continuity among project requests. The accuracy of the prior-year appropriations is checked. Project titles, funding amounts and phasing, and funding sources on the CC\_CR-P form should match those on CC\_CR-C forms for individual projects. Only projects requesting full or partial funding shown as state capital construction funds or from the Federal Mineral Lease revenues should be included on the CC\_CR-P. These projects must indicate a governing board priority number on the CC\_CR-P. **All 100% cash-funded requests are to be included the Two-Year List (CC-LCF form) only.**

Along with the CC\_CR-P form, each governing board should submit to CDHE a statement about the relative order of importance of projects proposed for FY 18-19, and how those projects relate to those planned for the next five years. The statement should also indicate how projects included in the five-year plan relate to current facility master plans.

The Five Year Capital Construction/Capital Renewal Project Plan (CC\_CR-P) shall be coordinated with project Program Plans, if applicable. **Five-Year State-funded requests for IT projects are to be submitted on a separate Five Year Information Technology Project Plan (CC\_IT-P).**

A Five Year Capital Construction/Capital Renewal Project Plan (CC\_CR-P) shall be submitted to CCHE annually, even if no Capital Construction/Capital Renewal or IT project is requested.

##### Header Information:

- Line A: (1) **Institution Name:**  
Enter the Institution's name.
- (2) **Institution Signature Approval:**  
Is the name and date of approval of the institution's president or his/her designee. Signing off for Institution approval means that the signer affirms the head of the Institution has knowledge of the request, its total dollar amount, and its purpose. It also affirms that the form is complete and the dollars and Narrative are accurate.
- Line B: (1) **Name of Preparer:**

- Enter the name of the person preparing the form. This should be the person whom is to be contacted by CDHE should there be questions about the form.
- (2) **CDHE Signature Approval/Date:**  
The final reviewed and accepted version is signed and dated, manually or electronically, by CDHE.
- Line C: (1) **E-mail of Preparer:**  
Enter the email of the person preparing the form.
- Line D: **Grand Totals:**  
This section of the header will automatically total all of the individual project requests listed in the spreadsheets below into their respective five year totals.

**Project Information:**

- Row 1: **Project Title:**  
The project title shall be the same as on the 5-year plan (CC\_CR-P), the Cost Summary (CC\_CR-C), and the Narrative (CC\_CR-N). If the project has a prior appropriation, use the name from the Long Bill. Indicate the number of phases. Do not use acronyms in the title.
- Row 2: **Project Description:**  
Provide a brief overview describing the project and the rationale for the project.
- Row 3: **Intercept Program?**  
Indicate whether the institution will participate in the Higher Education Revenue Bond Intercept Program, which allows an institution of higher education to bond for capital projects using the state's credit rating.
- Row 4: (a) **Priority Number:**  
The Governing Board's priority of a current year State-funded project request for which a CC\_CR-C is submitted.
- (b) **Project Type:**  
Using the drop-down list, indicate if the project is a Capital Construction (CC) or Capital Renewal (CR) project request.
- (c) **Gross Square Feet:**  
The total gross square feet of construction (both renovated and new), including all phases.
- Row 5: (a) **Funding Source:**  
List each Institution's Capital Construction/Capital Renewal prior, current, and out-year project request(s) as applicable, in the appropriate column. Note cash funded projects are listed on a separate CC\_CR-P and designated as such by using the Funding Type (line A) drop down list identified above.
- (b) **Total Project Cost:**  
Refers to the sum of prior, current, and future out-year costs by funding source and is automatically calculated within the spreadsheet. All fiscal year costs must match the Cost Summary (CC\_CR-C) and the Narrative (CC\_CR-N).
- (c) **Total Prior Appropriation:**  
Enter the total of the prior appropriation(s) by fund source in the appropriate column. All appropriations must match the other Cost Summary (CC\_CR-C) and Narrative (CC\_CR-N).
- (d) **Current Budget Year Requests:**  
List the current year budget request, broken out by funding source, corresponding to the amounts listed on the Cost Summary (CC\_CR-C) and Narrative (CC\_CR-N).
- (e, f, g, h) **Year Two through Year Five Request:**  
List the out-year requests for the current budget year request. Out-year costs

for the current budget year request should include inflation as identified on the Cost Summary (CC\_CR-C).

All future project budget requests that are not related to any current budget year project request should be listed in the corresponding year of when the anticipated request will occur. By funding source, show the anticipated out-year requests associated with each of these budget requests to the extent the chart will allow. The out-year requests do not require submission of a Cost Summary (CC\_CR-C). However the out-year budget request should be based on a justifiable projected budget for each project.

- Row 6: **Capital Construction Fund (CCF):**  
List the portion of the funds that are from the Capital Construction Fund, typically funded as a General Fund transfer.
- Row 7: **Cash Funds (CF):**  
List the portion of the funds that are cash funds (from a Cash Fund balance or from institution funds).
- Row 8: **Reappropriated Funds (RF):**  
List the portion of the funds that are Reappropriated Funds (funds transferred from another agency).
- Row 9: **Federal Funds (FF):**  
List the portion of the funds that provided by a Federal Fund.
- Row 10: **Total Funds:**  
The spreadsheet will automatically total rows 5-9 to show the totals for the appropriate year(s).

## 2.5 INSTRUCTIONS FOR THE CAPITAL CONSTRUCTION/CAPITAL RENEWAL REQUEST - NARRATIVE: CC\_CR-N

The Narrative (CC\_CR-N) is for new buildings, building expansions, renovations, multi-phased, Capital Renewal, or related capital projects and shall be accompanied by the Capital Construction/Capital Renewal Cost Summary (CC\_CR-C). Budget requests for prior appropriated projects must be submitted and updated as necessary for each out-year that an appropriation is requested.

After submission to CDHE, institutions will receive written comments or questions from Department staff. The responses to the questions are expected to be integrated into the revised form, re-signed by the Institution and resubmitted (not simply answered via email).

### Header Information:

- Line A: **Project Source Funding:**  
Enter the amount requested from Capital Construction Funds (CCF) and Cash Funds (CF).
- Line B: **Funding Type:**  
Enter the funding type: State Funded project or a 100% Cash Funded project. See section 1.3(C) for definitions.
- Intercept Program Request?**  
Indicate whether the institution will participate in the Higher Education Revenue Bond Intercept Program, which allows an institution of higher education to bond for capital projects using the state's credit rating.

- Line C: (1) **Institution Name:**  
Enter the Institution's name.
- (2) **Name & Title of Preparer:**  
Enter the name & title of the person preparing the form. This should be the person whom is to be contacted by CDHE should there be questions about the form.
- Line D: (1) **Project Title:**  
The project title shall be the same as on the 5-year plan, the Cost Summary, and the Narrative. If the project has a prior appropriation, use the name from the Long Bill. Indicate the phase and number of phases (ph\_\_of\_\_). Do not use acronyms in the title.
- (2) **Email of preparer:**  
Enter the email of the person preparing the form.
- Line E: (1) **Project Type:**  
Mark the appropriate box with an "X" indicating if the project is a Capital Construction (CC) or Capital Renewal (CR) project request.
- (2) **State Controller Project No.:**  
Enter State Controller's assigned project number for continuing phased projects, if applicable.
- Line F: (1) **Year First Requested:**  
List the first fiscal year this project was requested, whether or not appropriated. This will inform all reviewers of how long it has been seeking funding.
- (2) **Institution Signature Approval/Date:**  
Is the name and date of approval of the institution's president or his/her designee. Signing off for Institution approval means that the signer affirms the head of the Institution has knowledge of the request, its total dollar amount, and its purpose. It also affirms that the form is complete and the dollars and Narrative are accurate.
- Line G: (1) **Priority Number:**  
Enter the Governing Board's priority ranking for a current year project request and indicate how many current year project requests are ranked and submitted (i.e. 1 of 5).
- (2) **CDHE Signature Approval/Date:**  
The final reviewed and accepted version is signed and dated, manually or electronically, by CDHE.

**A. PROJECT SUMMARY/STATUS**

Provide a brief description of the scope of the project, the total amount of funds requested, if the project is mandated (i.e. legislation, court order, etc), and whether it is a new or multi-phased (continuation) project from a previous year appropriation.

Explain status of the prior appropriated project phases(s).

**B. DESCRIPTION OF PROJECT FUNDING REQUEST**

In the table provided enter the total funds requested, prior year appropriations and complete rows for the appropriate funding source (Capital Construction Funds, Cash Funds, Reappropriated Funds, Federal Funds, etc.). This table should identify funding for all out-years associated with the request and be coordinated with the Institution's Five Year Capital Construction/Capital Renewal Project Plan (CC\_CR-P) and Cost Summary (CC\_CR-C).

(a) **Funding Source:**

List each Institution's Capital Construction/Capital Renewal prior, current, and out year project request(s) as applicable, in the appropriate column. NOTE: Do not include cash funded projects in this form.

**(b) Total Project Cost:**

Refers to the sum of prior, current, and future out years costs by funding source and is automatically calculated within the spreadsheet. All fiscal year costs must match the CC\_CR-C and the CC\_CR-N forms.

**(c) Total Prior Appropriation:**

Enter the total of the prior appropriation(s) by fund source in the appropriate column. All budget costs must match the other CC\_CR-C and the CC\_CR-N forms.

**(d) Current Budget Year Requests:**

List the current year budget request, broken out by funding source, corresponding to the amounts listed on the CC\_CR-C and CC\_CR-N form.

**(e, f, g, h) Year Two through Year Five Request:**

List the out-year requests for the current budget year request. Out-year costs for the current budget year request should include inflation as identified on the CC\_CR-C forms.

**C. PROGRAM INFORMATION**

Describe the program(s) impacted by this request, including a brief overview of the program(s) within the institution, relationship of program(s) to the structure within the institution, roles and responsibilities of the program(s), who is the beneficiary of the services provided, and any other pertinent information required to fully describe the program(s) needs.

**D. PROJECT JUSTIFICATION**

For all CC\_CR projects describe in detail and illustrate, through conceptual architectural drawings, diagrams and photographs, sufficiently to clearly indicate what work is planned in the current year and out-years. Include a description of any unique aspects or circumstances that lead to the creation or structuring of the project.

If a project will require phasing, the Narrative should first begin with an overall description of the problem followed by a more detailed description of the work by phase starting with the current budget year request. The narrative description should relate directly to the Cost Summary (CC\_CR-C) and the breakdown and subtotals by phase in the detailed cost estimate.

- For Capital Construction projects, provide a description of the amount of program space required, the types of spaces (classrooms, faculty offices, laboratory, etc.), overall square footage of the building(s) impacted by the project as well as the total square footage of the scoped project (identify renovated and new space square footage separately). Also include equipment, and other relevant information necessary to fully describe the project.
- For Capital Renewal projects identify upgraded space or area proposed, systems involved in the renewal project and other relevant information necessary to fully describe the project as per the facility management plans. This narrative description should expand upon the project title to describe in detail the maintenance problem(s) and the specific work required in terms of materials, equipment, repair or replacing the problem(s).

Describe the justification leading to the necessity of this Capital Request related to the Institution's Facility Master Plan (FMP). This includes a detailed description of why current conditions of buildings or systems have become inadequate for programmatic

use and a description of the funding necessity for the improvements. . If this is an existing facility and has been given a “Facility Condition Index Score (FCI),” (not applicable for an infrastructure request) include a description of that score from the most recent Facilities Condition Audit and how this request will affect that Audit and the targeted FCI. Provide the date of the last facility used to justify this request. Provide any additional information to support the justification for this project.

Explain the construction project delivery method selected for this project request.

**E. CONSEQUENCES IF NOT FUNDED**

Describe the effects and impacts on program(s) or physical maintenance of the facility if this project is not funded. For capital construction projects discuss the impact on the program and alternate solutions for delivering the intended program. For capital renewal projects justify the request by estimating adverse impacts on operating costs, additional deferred maintenance costs, and/or maintaining functional use of facility in terms of one of three operational criteria: Health and Life Safety Hazard/Loss of Use, Disrupting Operations, Causing Damage or Deterioration. Provide any additional information to support the consequences of not funding this project.

**F. LIFE CYCLE COST (LCC)/COMPARATIVE ANALYSIS**

Identify the comparative project alternatives and common assumptions and parameters for the economic evaluation of the alternatives (i.e. weighing the benefits and costs of building a new facility versus; re-use of an existing occupied or vacant facility through renovation/capital renewal, purchasing an existing facility, or leasing a third party space to meet the project needs. Please describe each alternative, the total estimated life-cycle costs of the alternatives, and provide a present value comparison of the alternatives. Assume that the total Life Cycle Cost is the total project cost plus owning and operating costs over a study period of thirty years.

**G. ASSUMPTIONS FOR CALCULATIONS**

Include explanations of the calculations used to justify the funding amount requested in Section “C” above and itemized in the Cost Summary (CC\_CR-C) for this project request. (Refer to Facility Program Plan estimate of probable cost or other facility management plans as applicable). Descriptions of assumptions and calculations should include:

- 1) Estimated expenditures for land and/or building purchases. If not under contract, explain assumptions used to establish cost used.
- 2) Estimated expenditures for professional services and explanation if costs are higher than generally allowed.
- 3) Detailed cost estimate justifying the “Total Construction Cost” in line (28) of the Cost Summary (CC\_CR-C) using the CSI Format to break down the costs by specification division, unit cost, extended cost, materials and labor, etc.
- 4) An itemized list of equipment and furnishings and their costs.
- 5) List and justification for all miscellaneous costs.
- 6) Calculations for art in public places, as necessary.
- 7) Inflation assumptions by year with justification for professional services, construction or improvements, equipment and furnishings and miscellaneous costs.

**H. SUSTAINABILITY**

Describe the targeted certification level per the High Performance Certification Program (HCHP), per the Office of the State Architect’s policy. If the HPCP certification goal of LEED GOLD cannot be obtained please provide an explanation as to why and what sustainability strategies will be incorporated into the project to justify a modification to either a certified or silver goal or an alternative 3rd party verification

process as approved by OSA. If the project cannot meet the minimum requirements of the HPCP policy, provide an explanation as to why in order to receive a waiver from OSA. Capital renewal projects may, due to the limited scope of the project, seek a modification of the policy to either a certified or silver goal or an alternative 3rd party verification process as approved by OSA. Describe in detail energy conservation measures (ECM) to be incorporated into the project including; new or upgraded equipment, improvements in operating practices, costs, and long term savings.

All projects should describe the analysis for on-site renewable energy generation or for the purchasing of renewable energy, and how the institution plans to meet C.R.S. 24-30-1305.5 on reporting utility data to OSA.

**I. OPERATING BUDGET IMPACT**

Describe in detail how this project will affect operating appropriations in the department. If there is anticipated to be an operating budget impact, please submit a corresponding operating budget request. This includes a discussion of any appropriation increases or decreases necessary to provide for building or system maintenance, increases or decreases in FTE, and the anticipated time line for operating impacts. Provide a justification if no operating budget impact is anticipated.

**J. PROJECT SCHEDULE**

In the table provided, identify the critical steps including design and construction phases (as discreet portions of work) as applicable to be completed as part of the requested project, estimate the start date for those steps, and estimate the completion date for those steps. Add or delete rows from this table as necessary.

**K. ADDITIONAL INFORMATION**

Please fill out the table with the requested information.

**2.6 INSTRUCTION FOR THE CAPITAL CONSTRUCTION/CAPITAL RENEWAL REQUEST - COST SUMMARY: CC\_CR-C**

The Cost Summary (CC\_CR-C) is for new buildings, building expansions, renovations, multi-phased, capital renewal, or related capital projects and shall be accompanied by the Capital Construction/Capital Renewal Narrative (CC\_CR-N). Budget requests must be submitted for each year that an appropriation is requested.

Continuation projects require annual submissions of the CC\_CR-C forms. The budget documents for continuation projects that have received at least one previous appropriation are checked for conformance with prior submissions of the requests. **All continuation projects are to be submitted with detailed cost estimates for all phases with each phased scope of work clearly defined by Narrative and cost estimate. All phases are to be stand alone (discreet portions of work).** If an Institution's cost estimate for a continuation project has changed since the previous year, the institution should notify CDHE before submission. All supporting information and background must be submitted with the Cost Summary (CC\_CR-C).

CDHE will review all budget estimates for alignment with the project's Program Plan or other approved planning documentation and attached to the request.

Costs are to be coordinated with the Narrative (CC\_CR-N), H. ASSUMPTIONS FOR CALCULATIONS.

**Header Information:**



- Line A: **Funding Type:**  
Using the drop-down list, indicate the project type: State Funded project or a 100% Cash Funded project
- (1) **Intercept Program Request?**  
Indicate whether the institution will participate in the Higher Education Revenue Bond Intercept Program, which allows an institution of higher education to bond for capital projects using the state's credit rating
- Line B: (1) **Institution:**  
Enter the Institution's name by using the drop down list.
- (2) **Name & Title of Preparer:**  
Enter the name of the person preparing the form. This should be the person whom is to be contacted by CDHE should there be questions about the form.
- Line C: (1) **Project Title:**  
The project title shall be the same as on the 5-year plan, the Cost Summary, and the Narrative. If the project has a prior appropriation, use the name from the Long Bill. Indicate the number of phases. Do not use acronyms in the title.
- (2) **Email of preparer:**  
Enter the email of the person preparing the form.
- Line D: (1) **Project Phase:**  
Enter the current phase proposed and the total number of phases. (X of X).
- (2) **State Controller Project #:**  
Enter State Controller's assigned project number for multi-phased projects, if applicable.
- Line E: (1) **Project Type:**  
Indicate in the pull down box if the project is a Capital Construction (CC) or Capital Renewal (CR) project request.
- (2) **Institution Signature Approval/Date:**  
Is the name and date of approval of the institution's president or his/her designee. Signing off for Institution approval means that the signer affirms the head of the Institution has knowledge of the request, its total dollar amount, and its purpose. It also affirms that the form is complete and the dollars and cost summary is accurate.
- Line F: (1) **Year First Requested:**  
List the first fiscal year this project was requested, whether appropriated or not. This will inform all reviewers of how long it has been seeking funding.
- (2) **CDHE Signature Approval/Date:**  
The final reviewed and accepted version is signed and dated, manually or electronically, by CDHE.
- Line G: (1) **Priority Number:**  
Enter the Governing Board's priority ranking for the current year project request and indicate how many current year project requests are ranked and submitted (i.e. 1 of 5).

### Project Information:

- Row 1: (a) **Total Project Costs:**  
The total project cost is the sum of prior, current, and future out years cost by funding type and is automatically calculated within the spreadsheet. If the project will require any future out-year costs to complete in subsequent years, list those funds required for each of the following four years in the appropriate column.
- (b) **Total Prior Year Appropriation(s):**

If the project has any prior funding in any previous Long Bill, Supplemental Bill, or separate appropriation bill, enter the total prior value. Otherwise it should be zero. The total should be the sum of all appropriations and match the appropriations listed in "Summary of Project Funding Request" of the Narrative (CC\_CR-N). If they do not match exactly, the Word document should footnote the table with an explanation, illustrating all numbers.

**(c) Current Budget Year Request:**

Enter the current budget request that is being submitted and defended in the Narrative (CC\_CR-N) for the current year.

**(d,e,f,g) Year Two through Five Request:**

The subsequent columns are out-year impacts for current budget year request that will be phased. Out-year costs for the current budget year request should include inflation. Such projects must have distinct activities for each year. Even if a current request is funded, there is no guarantee that out-year requests will be funded as phases. Each year's project must be able to stand on its own (discreet portions of work) and the Narrative (CC\_CR-N) portion shall fully defend this phase by phase.

**Land / Building Acquisition:**

**Row 2: Land Acquisition:**

If this project will include a cost to acquire land, enter the amount here.

**Row 3: Building Acquisition:**

If this project will include a cost to acquire a building(s), enter the amount here.

**Row 4: Total Acquisition Costs:**

The spreadsheet will automatically total rows 1 and 2 to show the total acquisition costs.

**Professional Services:**

**Row 5: Planning Documentation:**

Include the total cost requested to complete the planning documentation portion for this project request. Identify in the Narrative CC\_CR-N whether a Facilities Master Plan, Facility Program Plan, Facility Condition Audit, etc. was used to defend this project.

**Row 6: Site Surveys, Investigations, Reports:**

Identify other engineering design fees, not related to the physical structure, such as civil engineering for site grading, sewage treatment, water treatment, traffic, etc. Include the estimated costs for site topographic information, utility surveys, soil tests and reports, and other tests required by the specifications (e.g., concrete strength, weld tests, etc.) Testing for the existence of asbestos and air monitoring during remediation also should be included here.

**Row 7: Architectural/Engineering/Basic Services:**

Identify all fees for the design of the building. These include but are not limited to architectural and planning services, structural, mechanical, electrical, plumbing engineering, and civil engineering.

**Row 8: Code Review/Inspection:**

Include the cost for an approved Code Review Agent for drawing reviews and building inspections for compliance with the building codes as required per OSA policies and guidelines.

**Row 9: Construction Management:**

If applicable, include the construction manager fee. Note that only paid, outside consultants are allowed.

**Row 10: Advertisements:**

- Row 11:            Include advertisement costs, if any.  
**Other (specify):**  
 Include all additional anticipated fees for the project. Specify the type of fees such as those associated with the High Performance Certification Program, acoustical studies, information technology, fire protection, or other types of service fees. Please note that tap fees are not professional service fees.
- Row 12:            **Inflation Cost for Professional Services:**  
 Provide the total dollars attributed to inflation. Percentage increases MUST be defensed in the narrative portion of the document, or 0% inflation will be assumed.
- Row 13:            **Inflation Percentage Applied:**  
 Provide the total percentage attributed to inflation for the given year. If different rates are applied to the out years, this MUST be explained in the Narrative.
- Row 14:            **Total Professional Services:**  
 The spreadsheet will automatically total rows 5 thru 12 to show the total costs for professional services. (Inflation percent from row 13 is not included.) If this amount exceeds 10 percent of row 28, "Total Construction Costs," for a new facility or 15 percent for a renovated facility, provide an explanation in the Narrative (CC\_CR-N) to justify higher costs than generally allowed.

**Construction or Improvement:**

This section displays the total amount of money requested for the construction portion of the project. Do not include an amount under the column "Prior Appropriation" unless funds were appropriated in a previous Long Bill or other separate appropriation. Estimates should be based on the anticipated cost of construction starting in July of the year for which the appropriation is requested.

- Row 15:            **Infrastructure Service/Utilities:**  
 The services/utilities cost should include all costs associated with obtaining power, water, gas, telephone lines, sewer, etc., extended from the nearest source to within five feet of the building(s). Be sure to include water or tap fees paid to other governmental entities in this line. Do not include funds for other infrastructure reserves. Other infrastructure projects resulting from the impact of the requested project should be submitted as a separate Capital Construction project request(s).
- Row 16:            **Infrastructure Site Improvements:**  
 Include all excavation and backfill costs to prepare the site and all other work such as clearing, grading, asphalt paving, curb and gutter, walks, site lighting, drainage structures, etc. All work related to landscaping should be included here as well. Examples include: sod, trees, shrubs, and irrigation.
- Row 17:            **Structure/Systems/Components:**  
 Do not enter any numbers in this line. Structure/Systems/Component numbers are to be entered in rows 18, 20, & 22.
- Row 18:            **Cost for New (GSF):**  
 Provide the estimated cost for the portion of the project related to new construction. The cost should include utilities to a point five feet outside the building line. The cost of temporary power, water, etc., during construction provided by the State cannot be included.
- Row 19:            **New at \$\_\_\_ X \_\_\_\_\_ GSF:**  
 Insert the estimated cost per square foot used for new construction and the total new square footage on the appropriate line. No additional values are to be listed in columns (a) thru (g).

- Row 20: **Cost for Renovation (GSF):**  
Provide the estimated cost for the portion of the project related to renovation. The cost of temporary power, water, etc., during construction provided by the State cannot be included.
- Row 21: **Renovation at \$\_\_\_ X \_\_\_ GSF:**  
Insert the estimated cost per square foot used for renovation and the total renovated square footage on the appropriate line. No additional values are to be listed in columns (a) thru (g).
- Row 22: **Cost for Capital Renewal (GSF):**  
Provide the estimated cost for the portion of the project related to Capital Renewal. The cost of temporary power, water, etc., during construction provided by the State cannot be included.
- Row 23: **Renewal at \$\_\_\_ X \_\_\_ GSF:**  
Insert the estimated cost per square foot used for renewal and the total renewal square footage on the appropriate line. No additional values are to be listed in columns (a) thru (g).
- Row 24: **Other:**  
Include asbestos and/or any other types of hazardous material remediation, demolition, and any other construction costs not included above. Identify these construction costs by line item in the Narrative (CC\_CR-N) or other supporting documentation.
- Row 25: **High Performance Certification Program:**  
Include all anticipated construction services, materials, equipment and associated costs for complying with the High Performance Certification Program as implemented by OSA. A project must meet the program requirements to comply with statute; otherwise a waiver or modification is required from OSA. If a waiver or modification was received from OSA, the justification of such shall be explained in the Narrative (CC\_CR-N) See 2.5(l).
- Row 26: **Inflation for Construction:**  
Provide the total dollars attributed to inflation on lines (b) thru (g). Line (a) will automatically total in the spreadsheet. Percentage increases MUST be defended in the Narrative CC\_CR-N, or 0% inflation will be assumed by CDHE.
- Row 27: **Inflation Percentage Applied:**  
Here, the institution must provide the total percentage attributed to inflation for the given year. If different rates are applied to the out-years, this MUST be explained in the Narrative (CC\_CR-N).
- Row 28: **Total Construction Costs:**  
The spreadsheet will automatically total rows 15, 16, 18, 20, 22, 24 thru 26 to show the total construction costs.

### Equipment and Furnishings:

- Row 29: **Equipment:**  
Enter the cost of the equipment required for the function of program(s) within the project and not for the operation of the building(s). This item should include equipment that can be moved and reused even if it is built-in and would not be included in the general construction contract. Examples could include equipment for kitchens, laboratories, laundries, shops, medical facilities, stages, communication, etc. Computer and network equipment includes workstations, file servers, routers, hubs or switches, printers, scanners, and other required hardware. Include in this row movable partitions, work surfaces, etc., which are part of the offices and workstations.
- Row 30: **Furnishings:**  
Show the cost of furniture and other items necessary to complete the project for

- occupancy. These items would not normally be a part of the general construction contract. Examples are window coverings, cabinets, wardrobe, desks, chairs, tables, seating, etc.
- Row 31: **Communications:**  
Include the costs associated with telephones and other communication systems here, such as the purchase and/or installation of fiber optic cable or other wiring for voice, Internet, intranet, local area network, and/or audio conferencing capabilities. Do not include cost of equipment for programs related to communication, computers, or other devices for audio or video equipment. These costs are part of equipment included in D-1.
- Row 32: **Inflation for Equipment and Furnishings:**  
Provide the total dollars attributed to inflation. Percentage increases MUST be defended in the Narrative (CC\_CR-N), or 0% inflation will be assumed by CDHE.
- Row 33: **Inflation Percentage Applied:**  
Here, the institution must provide the total percentage attributed to inflation for the given year. If different rates are applied to the out years, this MUST be explained in the Narrative (CC\_CR-N).
- Row 34: **Total Equipment and Furnishings Costs:**  
The spreadsheet will automatically total rows 29 thru 32 to show the total costs for equipment and furnishings. If the "Total Equipment and Furnishings Cost" exceeds 10% of Total Construction Cost, include an explanation in the Narrative (CC\_CR-N).

**Miscellaneous:**

- Row 35: **Art in Public Places:**  
C.R.S. 24-48.5-312 requires that *"...not less than one percent of the State funded portion of the total construction costs to be used for the acquisition of works of art."* This requirement applies to all Capital Construction project requests for new construction and renovations. Agencies need count only the State-funded portion of the construction request, and only if that amount is to be appropriated (certificates of participation are typically not appropriated). However, Agencies/Institutions are strongly encouraged to apply the 1% to all fund sources of construction.  
  
Exempted from the 1% requirement includes Capital Renewal and Controlled Maintenance projects, projects that are exclusively cash-funded, projects identified in statute, etc.  
  
Include all funds for Art in Public Places in this row. Do not include it in other rows on the form. In some cases, the CDC may approve an exemption from this requirement.
- Row 36: **Relocation Costs:**  
For some projects it will be necessary to temporarily move some or all of the occupants and equipment to another facility. Those moving costs should be shown here. The cost of renting or leasing temporary space should NOT be included here. Lease costs are operating expenses.
- Row 37 thru 40: **Other Costs (specify):**  
Enter and identify all other costs here. If the reason for the additional cost it is not obvious, explain in the Narrative (CC\_CR-N). Add rows as necessary.
- Row 41: **Total Miscellaneous Costs:**  
The spreadsheet will automatically total rows 35 thru 41 (and added rows as necessary) to show the total miscellaneous costs
- Row 42: **Total Project Costs:**  
This is the total estimated cost of the project. The spreadsheet will

automatically total rows 4, 14, 28, 34 and 41 to show the total project costs for each year that appropriations are requested.

### Project Contingency:

These lines provide the contingency for the entire project. Contingencies are established for unanticipated project costs. Add rows 14, 28, 34, and 42 and multiply the appropriate percentages. Projects involving both renovation and new construction must indicate how the contingency was calculated. Agencies/Institutions deviating from these percentages must justify the request in the Narrative (CC\_CR-N).

Appropriate use of project contingency funds is outlined in the OSA's Procedures Project Cost and Management Guidelines. All contingency costs must be reported on the Capital Construction Project Application Form (SC 4.1) after project completion. Remaining balances are to revert to the Capital Construction Fund.

- Row 43: **5% for New:**  
Project contingencies for all new construction, equipment purchases, or facility-related planning studies will be 5% of the total project cost, excluding land or building acquisition costs.
- Row 44: **10% for Renovation:**  
Contingencies for project renovations and Capital Renewal will be 10% of total project costs, excluding land or building acquisition costs.
- Row 45: **Total Contingency:**  
The spreadsheet will automatically total rows 43 and 44 to show the total contingency costs for each year that appropriations are requested.
- Row 46: **Total Budget Request:**  
The spreadsheet will automatically total rows 42 and 45 to show the total budget request costs for each year that appropriations are requested.

### Funding Source:

The request is not complete until the fund sources are correctly delineated.

- Row 47: **Capital Construction Fund (CCF)**  
List the portion of the funds that are from the Capital Construction Fund, typically funded as a General Fund transfer.
- Row 48: **Cash Funds (CF)**  
List the portion of the funds that are cash funds (from a Cash Fund balance or from institution funds).
- Row 49: **Reappropriated Funds (RF)**  
List the portion of the funds that are Reappropriated Funds (funds transferred from another agency).
- Row 50: **Federal Funds (FF)**  
List the portion of the funds that provided by a Federal Fund.

## 2.7 INSTRUCTIONS FOR THE SUPPLEMENTAL CAPITAL CONSTRUCTION/CAPITAL RENEWAL REQUEST - NARRATIVE: CC\_CR-N\_B

The purpose of a supplemental capital construction/capital renewal request is to provide a method for adjusting previous year(s) appropriations or to use funds realized in a prior fiscal year. See Section 1.3, Project Types and Definitions for further information.

Institutions shall submit a Supplemental Capital Construction/Capital Renewal Request Cost Summary (CC\_CR-C\_B) with each supplemental Narrative (CC\_CR-N\_B) identifying why the project is necessary as a supplemental request.

1331 Emergency Supplemental request requires the same documentation as a Regular Supplemental request; i.e., the Narrative (CC\_CR-N\_B) and Supplemental Cost Summary (CC\_CR-C\_B). If the amount of 1331 Emergency Supplemental changes, it should be corrected as a revised request, rather than a new regular supplemental.

**Please note that all Capital Renewal Supplemental Requests must be submitted directly to the Office of the State Architect (OSA) with copies to CDHE.**

**Header Information:**

- Line A:       **Project Source Funding:**  
Enter the amount requested from Capital Construction Funds (CCF) and Cash Funds (CF).
- Line B:       (1) **Funding Type:**  
Using the drop-down list, indicate the project type: State Funded project or a 100% Cash Funded project. See section 1.3(C) for definitions of each.
- (2) **Supplemental Type:**  
Enter the type of supplemental being requested (Supplemental or 1331).
- Line C:       (1) **Institution Name:**  
Institution's name by using the drop down list.
- (2) **Name of Preparer:**  
Enter the name of the person preparing the form. This should be the person whom is to be contacted by CDHE should there be questions about the form.
- Line D:       (1) **Project Title:**  
The project title shall be the same as on the 5-year plan, the cost summary, and the narrative. If the project has a prior appropriation, use the name from the Long Bill.
- (2) **Email of Preparer:**  
Enter the email of the person preparing the form.
- Line E:       (1) **Project Phase:**  
Enter the current phase and the total number of phases (Ph\_\_of \_\_).
- (2) **State Controller Project #:**  
Enter State Controller's assigned project number for continuing phased projects, if applicable.
- Line F:       (1) **Project Type:**  
Mark the appropriate box with an "X" indicating if the project is a Capital Construction (CC) or Capital Renewal (CR) project request.
- (2) **Institution Signature Approval/Date:**  
Enter the name and date of approval of the institution's president or his/her designee. Signing off for Institution approval means that the signer affirms the head of the Institution has knowledge of the request, its total dollar amount, and its purpose. It also affirms that the form is complete and the dollars and cost summary is accurate.
- Line G:       (1) **Original Appropriation Year:**  
List the first fiscal year appropriation was approved for this project.
- (2) **CDHE Signature Approval/Date:**  
The final reviewed and accepted version is signed and dated, manually or electronically, by CDHE.
- Line H:       (1) **Fiscal Year to be Modified:**

Enter the fiscal year that the supplemental will modify.

**(2) Revision? If "Yes", previous submittal date:**

Indicate if this is a revision to an existing submittal and the date of the prior submittal.

**Project Information:**

**A. SUPPLEMENTAL CRITERIA:**

Describe how the request meets the criteria for a supplemental.

**B. SUPPLEMENTAL/1331 EMERGENCY SUPPLEMENTAL JUSTIFICATION:**

Describe the problem, any unforeseen circumstances, and the solution. Provide the justification of why the project is necessary as a supplemental request in advance of passage of the Long Bill. Identify alternate solutions evaluated that lead to this solution.

**C. PROJECT SUMMARY/STATUS:**

Provide a brief description of the original scope of the project, the amount of the original appropriated request, if the project is mandated (i.e. legislation, court order, etc), and whether it is a new or multi-phased (continuation) project from a previous year appropriation.

Explain status of the prior appropriated project by phases(s) as applicable.

**D. SUMMARY OF SUPPLEMENTAL FUNDING CHANGE:**

In the table provided enter the total funds amount and complete rows for the appropriate sources of funding (Cash Funds, Capital Construction Funds, Federal Funds, Reappropriated Funds, etc.). This table should identify funding adjustments for the impacted year. List the prior appropriations by fiscal year and corresponding amount, add additional rows as required.

**E. ASSUMPTIONS FOR CALCULATIONS AND CASH FUND PROJECTION:**

Include descriptions of the calculations used to justify the funding amount requested in the Cost Summary (CC\_CR-C\_B). Descriptions of assumptions and calculations should include:

- 1) Additional estimated expenditures for land and/or building purchases. If not under contract, explain assumptions used to establish cost used.
- 2) Additional estimated expenditures for professional services.
- 3) Detailed cost estimate justifying the "Total Construction Cost" in line (28) of the supplemental Cost Summary (CC\_CR-C\_B) using the CSI Format to break down the costs by specification division, unit cost, extended cost, materials and labor, etc.
- 4) If additional equipment is being requested, an itemized list of the equipment and furnishings and their costs.
- 5) List and justification for all miscellaneous costs.
- 6) Contingencies if different than what is listed.
- 7) Calculations for art in public places, as necessary and as applicable.
- 8) Inflation assumptions by year with justification for professional services, construction or improvements, equipment and furnishings and miscellaneous costs.

**F. CONSEQUENCES IF NOT FUNDED:**



Explain the likely outcome if this request is not approved. Provide any additional information to support the consequences of not funding this project.

**G. ADDITIONAL REQUEST INFORMATION**

Please describe any other relevant information that may apply to the request or any other issues related to the implementation of the project or if this request is driven by a new statutory mandate, if this will require a statutory change, if this is a one-time request and if this request involves any IT components.

**2.8 INSTRUCTIONS FOR THE SUPPLEMENTAL CAPITAL CONSTRUCTION/CAPITAL RENEWAL REQUEST - COST SUMMARY: CC\_CR-C\_B**

Institutions of higher education shall submit a Supplemental Capital Construction/Capital Renewal Project Request Narrative (CC\_CR-N\_B) with each supplemental Cost Summary (CC\_CR-C\_B) identifying why the project is necessary as a supplemental request.

**Please note that all Capital Renewal Supplemental Requests must be submitted directly to the Office of the State Architect (OSA) with copies to CDHE.**

**Header Information:**

- Line A: (1) **Supplemental Type:**  
Using the drop down list, enter the type of supplemental being requested (Supplemental or 1331 Emergency).
- (2) **Funding Type:**  
Using the drop-down list, indicate the project type: State Funded project or a Cash Funded project. See section 1.3(C) for definitions of each.
- Line B: (1) **Institution Name:**  
Enter the institution's name by using the drop down list.
- (2) **Name of Preparer:**  
Enter the name of the person preparing the form. This should be the person whom is to be contacted by CDHE should there be questions about the form.
- Line C: (1) **Project Title:**  
The project title shall be the same as on the 5-year plan, the cost summary, and the narrative. If the project has a prior appropriation, use the name from the Long Bill.
- (2) **Email of Preparer:**  
Enter the email of the person preparing the form.
- Line D: (1) **Project Phase:**  
Enter the current phase and the total number of phases (Ph\_\_of \_\_).
- (2) **State Controller Project #:**  
Enter State Controller's assigned project number for continuing phased projects, if applicable.
- Line E: (1) **Project Type:**  
Indicate in the pull down list if the project is a capital construction (CC) or capital renewal (CR) project request.
- (2) **Institution Signature Approval/Date:**  
Enter the name and date of approval of the institution's president or his/her designee. Signing off for Institution approval means that the signer affirms the head of the Institution has knowledge of the request, its total dollar amount, and its purpose. It also affirms that the form is complete and the dollars and cost summary is accurate.
- Line F: (1) **Fiscal Year to be Modified:**

Enter the fiscal year that the supplemental needs to modify.

(2) **CDHE Signature Approval/Date:**

The final reviewed and accepted version is signed and dated, manually or electronically, by CDHE.

(1) **Intercept Program?**

Indicate whether the institution will participate in the Higher Education Revenue Bond Intercept Program, which allows an institution of higher education to bond for capital projects using the state's credit rating.

(2) **Revision? If Yes, previous submittal date:**

Indicate if this is a revision to an existing submittal and the date of the prior submittal.

**Land / Building Acquisition:**

Row 2: **Land Acquisition:**

If this project will include a cost to acquire land, enter the amount here.

Row 3: **Building Acquisition:**

If this project will include a cost to acquire a building(s), enter the amount here.

Row 4: **Total Acquisition Costs:**

Enter the totals of rows 2 and 3.

**Professional Services:**

Row 5: **Planning Documentation:**

Include the total cost requested to complete the planning documentation portion for this project request. Identify whether facilities master plan, facilities program plan, facility condition audit etc. that was used to defend this project.

Row 6: **Site Surveys, Investigations, Reports:**

Identify other engineering design fees, not related to the physical structure, such as civil engineering for site grading, sewage treatment, water treatment, traffic, etc. Include the estimated costs for site topographic information, utility surveys, soil tests and reports, and other tests required by the specifications (e.g., concrete strength, weld tests, etc.) Testing for the existence of asbestos and air monitoring during remediation also should be included here.

Row 7: **Architectural/Engineering/Basic Services:**

Identify all fees for the design of the building. These include but are not limited to architectural and planning services, structural, mechanical, electrical plumbing engineering, and civil engineering.

Row 8: **Code Review/Inspection:**

Include the cost for an approved Code Review Agent for drawing reviews and building inspections for compliance with the building codes as required by the OSA per Section 24-30-1303(n)(II), (z) C.R.S.

Row 9: **Construction Management:**

If applicable, include the construction manager fee. Note that only paid, outside consultants are allowed.

Row 10: **Advertisements:**

Include advertisement costs, if any.

Row 11: **Other (specify):**

Include all additional anticipated fees for the project. Specify fees associated with the High Performance Certification Program as implemented by the OSA. Specify the type of fee such as acoustical studies, information technology, fire

- protection or other types of service fees. Please note that tap fees are not professional service fees.
- Row 12: **Inflation Cost for Professional Services:**  
Provide the total dollars attributed to inflation. Percentage increases MUST be defended in the narrative portion of the document, or 0% inflation will be assumed by CDHE.
- Row 13: **Inflation Percentage Applied:**  
Provide the total percentage attributed to inflation for the given year. If different rates are applied to the out years, this MUST be explained in the narrative.
- Row 14: **Total Professional Services:**  
Enter total of rows 5-12. Do not add in the inflation percent from row 13. If this amount exceeds 10 percent of row 28, "Total Construction Costs," for a new facility or 15 percent for a renovated facility, attach a written explanation or explain in narrative to justify higher costs than generally allowed.

#### Construction or Improvement:

This Section displays the total amount of money requested for the construction portion of the project. Do not include an amount under the column "Prior Appropriation" unless funds were appropriated in a previous Long Bill or other separate appropriation. Estimates should be based on the anticipated cost of construction starting in July of the year for which the appropriation is requested.

- Row 15: **Infrastructure Service/Utilities:**  
The services/utilities cost should include all costs associated with obtaining power, water, gas, telephone lines, sewer, etc., extended from the nearest source to within five feet of the building(s). Be sure to include water or tap fees paid to other governmental entities in this line. Do not include funds for other infrastructure reserves. Other infrastructure projects resulting from the impact of the requested project should be submitted as a separate capital construction project request(s).
- Row 16: **Infrastructure Site Improvements:**  
Include all excavation and backfill costs to prepare the site and all other work such as clearing, grading, asphalt paving, curb and gutter, walks, site lighting, drainage structures, etc. All work related to landscaping should be included here as well. Examples include: sod, trees, shrubs, and irrigation.
- Row 17: **Structure/Systems/Components:**  
Do not enter any numbers in this line. Structure/Systems/Component numbers are to be entered in rows 18-23.
- Row 18: **Cost for New (GSF):**  
Provide the estimated cost for the portion of the project related to new construction. The cost should include utilities to a point five feet outside the building line. The cost of temporary power, water, etc., during construction provided by the state cannot be included.
- Row 19: **New Sqft. at \$/GSF:**  
Insert the total new square footage and cost per square foot for new construction on the appropriate line.
- Row 20: **Cost for Renovation (GSF):**  
Provide the estimated cost for the portion of the project related to renovation. The cost of temporary power, water, etc., during construction provided by the state cannot be included.
- Row 21: **Renovation at \$/GSF:**

- Insert the total square renovation footage and cost per square foot for renovation on the appropriate line.
- Row 22: **Cost for Capital Renewal (GSF):**  
Provide the estimated cost for the portion of the project related to capital renewal. The cost of temporary power, water, etc., during construction provided by the state cannot be included.
- Row 23: **Renewal at \$/GSF:**  
Insert the total renewal square footage and cost per square foot for renewal on the appropriate line.
- Row 24: **Other:**  
Include asbestos or any other types of hazardous material remediation, demolition or any other line item costs; identify all those construction costs.
- Row 25: **High Performance Certification Program:**  
Include all anticipated construction services, materials, equipment and associated costs for complying with the High Performance Certification Program as implemented by OSA. A project must meet the program requirements to comply with statute; otherwise a waiver or modification is required from OSA. If a waiver or modification was received from OSA, the justification of such shall be explained in the narrative (see 2.5(I)).
- Row 26: **Inflation for Construction:**  
Provide the total dollars attributed to inflation. Percentage increases MUST be defended in the Narrative (CC\_CR-N\_B), or 0% inflation will be assumed by CDHE.
- Row 27: **Inflation Percentage Applied:**  
Here, the institution must provide the total percentage attributed to inflation for the given year. If different rates are applied to the out years, this MUST be explained in the narrative.
- Row 28: **Total Construction Costs:**  
Add rows 15-26 and enter the total.

#### **Equipment and Furnishings:**

- Row 29: **Equipment:**  
Enter the cost of the equipment required for the function of program(s) within the project and not for the operation of the building(s). This item should include equipment that can be moved and reused even if it is built-in and would not be included in the general construction contract. Examples could include equipment for kitchens, laboratories, laundries, shops, medical facilities, stages, communication, etc. Computer and Network Equipment includes workstations, file servers, routers, hubs or switches, printers, scanners, and other required hardware. Include in this row movable partitions, work surfaces, etc., which are part of the offices and workstations.
- Row 30: **Furnishings:**  
Show the cost of furniture and other items necessary to complete the project for occupancy. These items would not normally be a part of the general construction contract. Examples are window coverings, cabinets, wardrobe, desks, chairs, tables, seating, etc.
- Row 31: **Communications:**  
Include the costs associated with telephones and other communication systems here, such as the purchase and/or installation of fiber optic cable or other wiring for voice, Internet, intranet, local area network, and/or audio conferencing capabilities. Do not include cost of equipment for programs related to communication, computers, or other devices for audio or video

- equipment. These costs are part of equipment included in D-1.
- Row 32: **Inflation for Equipment and Furnishings:**  
Provide the total dollars attributed to inflation. Percentage increases MUST be defended in the Narrative (CC\_CR-N\_B), or 0% inflation will be assumed by CDHE.
- Row 33: **Inflation Percentage Applied:**  
Here, the institution must provide the total percentage attributed to inflation for the given year. If different rates are applied to the out years, this MUST be explained in the narrative.
- Row 34: **Total Equipment and Furnishings Costs:**  
Add rows 29-32 and enter the total. If the "Total Equipment and Furnishings Cost" exceeds 10% of Total Construction Cost, include the details in the Narrative (CC\_CR-N\_B).

#### Miscellaneous:

- Row 35: **Art in Public Places:**  
C.R.S. 24-48.5-312 requires that *"...not less than one percent of the state funded portion of the total construction costs to be used for the acquisition of works of art."* This requirement applies to all capital construction project requests for new construction and renovations. Agencies need count only the state-funded portion of the construction request, and only if that amount is to be appropriated (certificates of participation are typically not appropriated). However, agencies are strongly encouraged to apply the 1% to all fund sources of construction.
- Exempted from the 1% requirement includes Capital Renewal and Controlled Maintenance projects, projects that are exclusively cash-funded, projects identified in statute, etc.
- Please include all funds for Art in Public Places in this row. Do not include it in other rows on the form. In some cases, the CDC may approve an exemption from this requirement.
- Row 36: **Relocation Costs:**  
For some projects it will be necessary to temporarily move some or all of the occupants and equipment to another facility. Those moving costs should be shown here. The cost of renting or leasing temporary space should NOT be included here. Lease costs are operating expenses.
- Row 37 thru 40: **Other Costs (specify):**  
Enter and identify all other costs here. If the reason for the additional cost it is not obvious, explain in the narrative. Add rows as necessary.
- Row 41: **Total Miscellaneous Costs:**  
Add the totals from rows 35-41 (or to added rows as necessary).
- Row 42: **Total Project Costs:**  
This is the total estimated cost of the project. Add rows 4, 14, 28, 34 and 42 and enter the total for each year that appropriations are requested.

#### Project Contingency:

These lines provide the contingency for the entire project. Contingencies are established for unanticipated project costs. Add rows 14, 28, 34, and 42 and multiply the appropriate percentages. Projects involving both renovation and new construction must indicate how the contingency was calculated. Agencies deviating from these percentages must justify the request in the Narrative (CC\_CR-N\_B).

Appropriate use of project contingency funds is outlined in the OSA's Procedures Project Cost and Management Guidelines. All contingency costs must be reported on the Capital Construction Project Application Form (SC 4.1) after project completion. Remaining balances are to revert to the Capital Construction Fund.

- Row 43: **5% for New:**  
Project contingencies for all new construction, equipment purchases, or facility-related planning studies will be 5% of the total project cost, excluding land or building acquisition costs.
- Row 44: **10% for Renovation:**  
Contingencies for project renovations and capital renewal will be 10% of total project costs, excluding land or building acquisition costs.
- Row 45: **Total Contingency:**  
Add the lines 44 and 45 and enter total.
- Row 46: **Total Budget Request:**  
Add the lines 43 and 46 and enter total.

**Funding Source:**

The request is not complete until the fund sources are correctly delineated.

- Row 47: **Capital Construction Fund (CCF)**  
List the portion of the funds that are from the Capital Construction Fund, typically funded as a General Fund transfer.
- Row 48: **Cash Funds (CF)**  
List the portion of the funds that are Cash Funds (from a Cash Fund balance or from Institution funds).
- Row 49: **Reappropriated Funds (RF)**  
List the portion of the funds that are Reappropriated Funds (funds transferred from another agency).
- Row 50: **Federal Funds (FF)**  
List the portion of the funds that provided by a Federal Fund.

END OF SECTION 2

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STATE OF COLORADO  
COLORADO DEPARTMENT OF HIGHER EDUCATION

ANNUAL CAPITAL SUBMISSION INSTRUCTIONS FOR FY 2018-19

**SECTION 3: INFORMATION TECHNOLOGY (IT) CAPITAL PROJECTS**

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This section applies to Institutions of Higher Education only. For State agency IT requests, please refer to the Governor's Office of Information Technology.

Higher education technology requests should be submitted alongside capital requests. CCHE will not prioritize technology requests separately but will submit them to the Joint Technology Committee (JTC) for review and prioritization. Each fiscal year, the JTC is required to study and prioritize all IT budget requests made by state agencies and all state-funded IT budget requests made by state institutions of higher education. After hearing from state agencies, institutions of higher education, OIT, and other sources of information about the amount of revenue available, the committee is required to submit written reports to the Joint Budget Committee (JBC) setting forth its recommendations, prioritization, findings, and comments regarding each IT budget request submitted to the JTC.

For FY18-19 IT submissions, **institutions should ensure that requests have a clear and predominant IT component to the project and that any supporting building modifications have been vetted through the institution facility planners.** To ensure that IT projects are correctly categorized as IT, below are some critical questions to consider:

**Facility Management**

- Has this project been reviewed and signed-off by the department facility management office?
- Has the Office of State Architect's delegate been involved in this project?
- Will the project require construction?
- Have cost of consultants been included in the cost of this project?
- Have the cost of design services by an engineer and review by a code consultant been included in the cost of this project?
- What is the impact of the project on building occupants and users?
- What is the estimate based on?
- Please provide a detailed breakdown of the cost estimate.
- How will the project be scheduled?
- Who will manage the project?
- 

**Building Impact/General**

- Which building(s) will this project impact?
- What is the impact on the infrastructure/utilities?
- What is the extent of the existing building system impact?
- What is the impact on the complex or campus?
- Will the project require demolition of any portion of the building or complex?

**Building Impact/Electrical**

- How will the project impact the loading requirements to the building and campus or complex?
- What is the impact on the back-up system?

- Will the conduit route be designed by an engineer?

### **Building Impact/Mechanical**

- Is there a need for additional cooling or a modification to existing cooling?
- If applicable, what is the cooling modification requirement? A modification to server room or modification to building cooling system?

While it is acceptable for IT requests to include ancillary non-IT components, institutions are encouraged to ensure that ancillary goods or services cannot be separated from the project and that those goods or services are not also included in capital or controlled maintenance state-funded requests. For FY 2018-19, institutions are required to submit a separate Five-Year Capital Information Technology (IT) Project Plan FY 2018-19 to FY 2022-23 (CC\_IT-P).

### **3.1 INSTRUCTIONS FOR THE CAPITAL INFORMATION TECHNOLOGY (IT) REQUEST NARRATIVE: CC\_IT-N**

The Narrative (CC\_IT-N) is for new information technology projects at institutions of higher education. Budget requests for prior appropriated projects must be submitted and updated as necessary for each out-year that an appropriation is requested.

After submission to CDHE, institutions will receive written comments or questions from Department staff. The responses to the questions are expected to be integrated into the revised form, re-signed by the Institution and resubmitted (not simply answered via email).

#### **Header Information:**

- Line A: **Project Source Funding:**  
Enter the amount requested from Capital Construction Funds (CCF) and Cash Funds (CF).
- Line B: **Funding Type:**  
Enter the funding type: State Funded project or a Cash Funded project. See section 1.3(C) for definitions.
- Intercept Program Request?**  
Indicate whether the institution will participate in the Higher Education Revenue Bond Intercept Program, which allows an institution of higher education to bond for capital projects using the state's credit rating.
- Line C: (1) **Institution Name:**  
Enter the Institution's name.
- (2) **Name & Title of Preparer:**  
Enter the name & title of the person preparing the form. This should be the person whom is to be contacted by CDHE should there be questions about the form.
- Line D: (1) **Project Title:**  
The project title shall be the same as on the 5-year plan, the Cost Summary, and the Narrative. If the project has a prior appropriation, use the name from the Long Bill. Indicate the phase and number of phases (ph\_\_of\_\_). Do not use acronyms in the title.
- (2) **Email of preparer:**  
Enter the email of the person preparing the form.
- Line E: (1) **Project Type:**  
Mark the appropriate box with an "X" indicating if the project is a Technology Hardware or a Technology Software request. Check both boxes if the request includes both.



- (2) **State Controller Project No.:**  
Enter State Controller's assigned project number for continuing phased projects, if applicable.
- Line F: (1) **Year First Requested:**  
List the first fiscal year this project was requested, whether or not appropriated. This will inform all reviewers of how long it has been seeking funding.
- (2) **Institution Signature Approval/Date:**  
Is the name and date of approval of the institution's president or his/her designee. Signing off for Institution approval means that the signer affirms the head of the Institution has knowledge of the request, its total dollar amount, and its purpose. It also affirms that the form is complete and the dollars and Narrative are accurate.
- Line G: (1) **Priority Number:**  
Enter the Governing Board's priority ranking for a current year project request and indicate how many current year project requests are ranked and submitted (i.e. 1 of 5). **Technology Requests should be ranked alongside capital requests.**
- (2) **CDHE Signature Approval/Date:**  
The final reviewed and accepted version is signed and dated, manually or electronically, by CDHE.

**A. PROJECT SUMMARY**

Provide a brief description of the scope of the project, the total amount of funds requested, if the project is mandated (i.e. legislation, court order, etc.), and whether it is a new or continuation project from a previous year appropriation. Explain status of the prior appropriated project phases(s).

**B. DESCRIPTION OF PROJECT FUNDING REQUEST**

In the table provided enter the total funds requested, prior year appropriations and complete rows for the appropriate funding source (Capital Construction Funds, Cash Funds, Reappropriated Funds, Federal Funds, etc.). This table should identify funding for all out-years associated with the request and be coordinated with the institution's Five Year Capital IT Project Plan (CC\_IT-P) and Cost Summary (CC\_IT-C) forms.

**C. PROGRAM INFORMATION**

Describe the program(s) impacted by this request, including a brief overview of the program(s) within the institution, relationship of program(s) to the structure within the institution, roles and responsibilities of the program(s), who is the beneficiary of the services provided, and any other pertinent information required to fully describe the program(s) needs.

**D. PROJECT JUSTIFICATION**

For all IT projects describe in detail and clearly indicate what work is planned in the current year and out-years. Include a description of any unique aspects or circumstances that lead to the creation or structuring of the project.

If a project will require phasing, the Narrative should first begin with an overall description of the problem followed by a more detailed description of the work by phase starting with the current budget year request. The narrative description should relate directly to the Cost Summary (CC\_IT-C) and the breakdown and subtotals by phase in the detailed cost estimate.

**E. CONSEQUENCES IF NOT FUNDED**

Describe the effects and impacts on program(s) on the facility or program if this project is not funded. Discuss the impact on the program and alternate solutions for

delivering the intended program and justify the request by estimating adverse impacts on operating costs and maintaining functional use of facility. Provide any additional information to support the consequences of not funding this project.

**F. ASSUMPTIONS FOR CALCULATIONS**

Include explanations of the calculations used to justify the funding amount requested.

**G. OPERATING BUDGET IMPACT**

Describe in detail how this project will affect operating appropriations in the department. If there is anticipated to be an operating budget impact, please submit a corresponding operating budget request. This includes a discussion of any appropriation increases or decreases necessary to provide for building or system maintenance, increases or decreases in FTE, and the anticipated time line for operating impacts. Provide a justification if no operating budget impact is anticipated.

**H. PROJECT SCHEDULE**

In the table provided, identify the critical steps in the project (as discreet portions of work) as applicable to be completed as part of the requested project, estimate the start date for those steps, and estimate the completion date for those steps.

**I. ADDITIONAL INFORMATION**

Please provide the information requested in the attached table.

**J. COST SAVINGS / IMPROVED PERFORMANCE OUTCOMES**

Describe the cost savings or improved performance outcomes as a result of this project. Estimate the cost savings of a project, which includes, but is not limited to, efficiency gains, risk aversion, and time savings. Include key performance indicators.

**K. SECURITY AND BACKUP / DISASTER RECOVERY**

Describe the data protection and disaster recovery considerations factored into the plan.

**L. BUSINESS PROCESS ANALYSIS**

Explain the business process analysis performed before this project was developed and if the IT system was designed to fix an operational problem.

**3.2 INSTRUCTIONS FOR INFORMATION TECHNOLOGY (IT) PROJECTS - COST SUMMARY: CC\_IT-C**

Institutions shall submit a Capital Information Technology (IT) Project Request Cost Summary (CC\_IT-C) form with each request.

**Header Information:**

- Line A: (1) **Funding Type:**  
Using the drop-down list, indicate the project type: State Funded project or a Cash Funded project. See section 1.3(C) for definitions of each.
- (2) **Intercept Program Request?:**  
Indicate whether the institution will participate in the Higher Education Revenue Bond Intercept Program, which allows an institution of higher education to bond for capital projects using the state's credit rating.
- Line B: (1) **Institution Name:**  
Enter the institution's name by using the drop down list.
- (2) **Name & Title of Preparer:**  
Enter the name & title of the person preparing the form. This should be the

- person whom is to be contacted by CDHE should there be questions about the form.
- Line C: (1) **Project Title:**  
The project title shall be the same as on the 5-year plan, the cost summary, and the narrative. If the project has a prior appropriation, use the name from the Long Bill.
- (2) **Email of Preparer:**  
Enter the email of the person preparing the form.
- Line D: (1) **Project Phase:**  
Enter the current phase and the total number of phases (Ph\_\_of \_\_).
- (2) **State Controller Project #:**  
Enter State Controller's assigned project number for continuing phased projects, if applicable.
- Line E: (1) **Project Type:**  
Indicate in the pull down list if the project is a capital construction (CC) or capital renewal (CR) project request.
- (2) **Institution Signature Approval/Date:**  
Enter the name and date of approval of the institution's president or his/her designee. Signing off for Institution approval means that the signer affirms the head of the Institution has knowledge of the request, its total dollar amount, and its purpose. It also affirms that the form is complete and the dollars and cost summary is accurate.
- Line F: (1) **Year First Requested:**  
Indicate the year the project was first requested by the institution.
- (2) **CDHE Signature Approval/Date:**  
The final reviewed and accepted version is signed and dated, manually or electronically, by CDHE.
- Line G: (1) **Priority Number**  
Enter the Governing Board's priority ranking for a current year project request and indicate how many current year project requests are ranked and submitted (i.e. 1 of 5). **Technology Requests should be ranked alongside capital requests.**

#### Land / Building Acquisition:

- Row 2: **Land Acquisition:**  
If this project will include a cost to acquire land, enter the amount here.
- Row 3: **Building Acquisition:**  
If this project will include a cost to acquire a building(s), enter the amount here.
- Row 4: **Total Acquisition Costs:**  
Enter the totals of rows 2 and 3.

#### Professional Services:

- Row 5: **Consultants/Contractors:**  
Enter consultant and/or contractor costs for project development (i.e., consultant/contractor costs not included in other professional service categories).
- Row 6: **Quality Assurance:**  
Identify all consultant fees for the quality assurance portion of this project.
- Row 7: **Independent Verification and Validation (IV&V)**  
This is intended as a third-party review performed by the Governor's Office of Information Technology. This review is not required for institutions of higher

- education.
- Row 8: **Training:**  
Include all training costs associated with initial roll-out of the project. This includes first-time training costs only. Ongoing or periodic training is an operating fund expense.
- Row 9: **Leased Space (Temporary):**  
If applicable, include temporary costs associated with leasing space for consultants working on the project.
- Row 10: **Feasibility Study:**  
This is for preparing a feasibility study per the Office of Information Technology criteria. This review is not required for institutions of higher education.
- Row 11: **Other Services/Costs (specify):**  
List and describe any other cost related to this project.
- Row 12: **Inflation Cost for Professional Services:**  
Here, the institution must complete both the total dollars attributed to inflation and the percentage. Percentage increases MUST be defended in the narrative portion of the document, or 0% inflation will be recommended by CDHE.
- Row 13: **Inflation Percentage Applied:**  
Provide the total percentage attributed to inflation for the given year. If different rates are applied to the out years, this MUST be explained in the narrative.
- Row 14: **Total Professional Services:**  
Enter total of rows 5-12. Do not add in the inflation percent from row 13. If this amount exceeds 10 percent of row 23, "Total Construction Costs," for a new facility or 15 percent for a renovated facility, attach a written explanation or explain in narrative to justify higher costs than generally allowed.

#### Associated Building Construction:

This section displays the total amount of money requested for building construction needed to support the information technology request. Estimates should be based on the anticipated cost of construction for July 1 of the year for which the appropriation is requested.

- Row 15: **New (GSF):**  
Insert the total new square footage.
- Row 16: **New \$\_\_\_\_/GSF:**  
Insert the total new square cost per square foot for new construction.
- Row 17: **Renovate GSF:**  
Insert the total renovation square footage.
- Row 18: **Renovate \$\_\_\_\_/GSF:**  
Insert the total square cost per square foot for renovation.
- Row 19: **Site Work/Landscaping:**  
Include all the excavation and backfill costs to prepare the site and all other work such as clearing and grubbing, asphalt paving, curb and gutter, walks, site lighting, drainage structures, etc. All work related to landscaping should be included here. Examples include, sod, trees and bushes, and irrigation systems
- Row 20: **Other (Specify):**  
Insert the total square renovation footage and cost per square foot for renovation on the appropriate line.
- Row 21: **Inflation for Construction:**  
Here, the institution must complete both the total dollars attributed to inflation and the percentage. Percentage increases MUST be defended in the narrative portion of the document, or 0% inflation will be recommended by

- CDHE.
- Row 22: **Inflation Percentage Applied:**  
Here, the institution must provide the total percentage attributed to inflation for the given year. If different rates are applied to the out years, this MUST be explained in the narrative
- Row 23: **Total Construction Costs:**  
Enter total of rows 15-22.

**Software Acquisition:**

- Row 24: **Software COTS:**  
Include the cost of commercial off-the-shelf software needed to implement the project.
- Row 25: **Software Built:**  
Include the costs associated with developing new custom software. This should be separate from general professional service fees.
- Row 26: **Inflation Percentage Applied:**  
Here, the institution must provide the total percentage attributed to inflation for the given year. If different rates are applied to the out years, this MUST be explained in the narrative.
- Row 28: **Inflation Percentage Applied:**  
Here, the institution must provide the total percentage attributed to inflation for the given year. If different rates are applied to the out years, this MUST be explained in the narrative
- Row 28: **Total Software Costs:**  
Add rows 24-26 and enter the total.

**Equipment:**

- Row 29: **Servers:**  
Enter the cost of all servers
- Row 30: **PCs, Laptops, Terminals, PDAs:**  
The cost of new personal computers, laptops, terminals, and personal digital assistants (PDAs) should be included here. Identify the cost of those items required for the implementation of the new technology system.
- Row 31: **Printers, Scanners, Peripherals:**  
Include the costs associated with printers, scanners, and peripherals related to the implementation of the new technology system.
- Row 32: **Network Equipment/Cabling:**  
Include costs associated with network equipment.
- Row 33: **Other (Specify):**  
Specify costs associated with other equipment.
- Row 34: **Miscellaneous:**  
Specify other costs not included elsewhere and enter the total here.
- Row 35: **Total Equipment and Miscellaneous Costs:**  
Add rows 29-34 and enter the total.

**Project Contingency:**

These lines provide the contingency for the entire project. Contingencies are established for unanticipated project costs. Add rows 14, 28, 34, and 42 and multiply the appropriate percentages. Projects involving both renovation and new construction must indicate how the contingency was calculated. Agencies deviating from these percentages must justify the request in the Narrative (CC\_CR-N\_B).

Appropriate use of project contingency funds is outlined in the OSA's Procedures Project Cost and Management Guidelines. All contingency costs must be reported on the Capital Construction Project Application Form (SC 4.1) after project completion. Remaining balances are to revert to the Capital Construction Fund.

- Row 37: **5% for New:**  
Project contingencies for all new construction, equipment purchases, or facility-related planning studies will be 5% of the total project cost, excluding land or building acquisition costs.
- Row 38: **10% for Renovation:**  
Contingencies for project renovations and capital renewal will be 10% of total project costs, excluding land or building acquisition costs.
- Row 39: **Total Contingency:**  
Add the lines 37 and 38 and enter total.

**Funding Source:**

The request is not complete until the fund sources are correctly delineated.

- Row 41: **Capital Construction Fund (CCF)**  
List the portion of the funds that are from the Capital Construction Fund, typically funded as a General Fund transfer.
- Row 42: **Cash Funds (CF)**  
List the portion of the funds that are Cash Funds (from a Cash Fund balance or from Institution funds).
- Row 43: **Reappropriated Funds (RF)**  
List the portion of the funds that are Reappropriated Funds (funds transferred from another agency).
- Row 44: **Federal Funds (FF)**  
List the portion of the funds that provided by a Federal Fund.

END OF SECTION 3

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STATE OF COLORADO  
COLORADO DEPARTMENT OF HIGHER EDUCATION

ANNUAL CAPITAL SUBMISSION INSTRUCTIONS FOR FY 2018-19

**SECTION 4: CASH-FUNDED PROJECT REQUESTS**

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For the purposes of review, projects that are to be undertaken solely with cash funds (CF), solely with federal funds (FF), or only cash funds and federal funds, are considered 100% cash funded. For this manual, the categorization of cash funded projects will be made according to dollar value and thresholds.

**Cash-funded Projects Costing Less than \$2 million**

CCHE does not review cash-funded capital projects costing less than \$2 million that are above the limit for capital outlay (C.R.S. 23-1-106 (9) or (10)). These projects must be for repair and replacement, professional services, new facilities/additions, infrastructure improvements, site improvements, fixed equipment, demolition, leasehold improvements, and the purchase of instructional or scientific equipment.

While these projects are not subject to review by CCHE, institutions of higher education must report annually (September 1) to CDHE a list and description of each project for which an expenditure was made during the preceding fiscal year. State statute requires the Department to compile a list from all institutions and submit a summary report of institutional small cash projects to the Capital Development Committee (CDC). This report tracks cash-funded capital projects costing less than \$2 million.

The next report is due to CDHE on September 1, 2017, and will cover FY 16-17 (July 1, 2016 through June 30, 2017). CDHE will send the updated report forms to institutions by late July 2017. Please contact CDHE at (303) 862- 3021 for a copy of the updated form if you do not receive it.

**Cash-funded Projects costing over \$2 million**

Projects costing in excess of \$2 million that are to be constructed or acquired solely with cash funds that are not funded under the Higher Education Intercept Program are subject to review by the CDC but not by OSPB or the JBC. However, institutions must submit to CDHE a list of such projects on the annual CC-LCF in a non-prioritized list which will be prepared for the annual hearing before the CDC. The list can be amended at any time but it must include the estimated cost, the method of funding, and a schedule for project completion for each project. Institutions can amend the list prior to commencing a project that is not included in the institution's most recent submitted list.

The list must include projects exceeding \$2 million dollars for new acquisitions of real property or new construction and include projects exceeding \$10 million dollars that are not new acquisitions of real property or new construction.

**Academic Cash Projects**

Projects of an academic nature constructed or acquired solely with cash funds that are not subject to the Higher Education Intercept Program, that are operated and maintained with state operational funds, cash funds or a combination of both, and are considered "Non-Intercept Academic Cash projects". These projects remain eligible for future Controlled Maintenance funding.

### **Auxiliary Cash Projects**

Projects of an auxiliary nature constructed or acquired solely with cash funds that are not subject to the Higher Education Intercept Program, that are constructed, operated and maintained out of cash funds only, and are considered “Non-Intercept Auxiliary Cash projects”. These projects are constructed, operated, and maintained from auxiliary enterprise funds, student fees, research building revolving funds, or wholly endowed gifts and bequests, or a combination of such sources. These projects are not eligible for future Controlled Maintenance funding.

Cash-funded projects may not commence until approved by CCHE and the CDC on the Two-Year Cash Funded Capital Program list (for non-Intercept projects); or CCHE and CDC approval on the Two-Year Cash Funded Capital Program list, as well as CCHE review and JBC approval of a program plan (for Intercept projects).

### **Intercept Program Projects**

Projects that are to be constructed or acquired solely with cash funds that are subject, in whole or in part, to the Higher Education Intercept Program are to be classified as “Intercept” projects. These projects are subject to review by the State Treasurer and CDHE, and subject to approval by the CDC and JBC. Within the Intercept program, there are two distinct sub-categories of projects based upon the source of funds and nature of the project:

#### o Intercept Program Academic Cash projects

Projects that are to be constructed or acquired solely with cash funds that are subject, in whole or in part to the Intercept program, that are maintained out of state operational funds, cash funds or a combination of both, and are academic in nature are considered “Intercept Academic Cash projects”. These projects remain eligible for future Controlled Maintenance funding.

Program plans are required for these projects. Besides being reviewed for the items outlined above, the program plan is examined to ensure that sufficient information is provided in the program plan to assure CDHE that:

- Sufficient cash funds will be available to pay the capital project costs;
- The earmarked cash funds are appropriate sources considering the nature of the project; and;
- The project will not adversely affect the projected operating funds; and
- Explicitly identify the maximum amount anticipated to be borrowed for the project under the Intercept program so that it can be approved by the CDC and JBC.

Intercept projects are referred to the Capital Development Committee and Joint Budget Committee for approval but are not required to be appropriated or included in the Long Bill. These projects can be submitted at any time during the year, but institutions should aim for the September 1 deadline whenever feasible.

#### o Intercept Program Auxiliary Cash projects

Projects that are to be constructed or acquired solely with cash funds that are subject, in whole or in part, to the Intercept program, that are maintained out of cash funds, and are auxiliary in nature are considered “Intercept Auxiliary Cash projects”. These projects remain ineligible for future Controlled Maintenance funding.



These projects are constructed, operated, and maintained from cash sources and serve auxiliary functions. Program plans are required for those projects estimated to cost more than \$2 million and can be submitted at any time during the year, but, if possible, should be submitted by September 1. The program plans will follow the same review process that Intercept program academic projects follow, which is outlined above.

### **Higher Education Intercept Program Bond Refinancing**

S.B. 16-204 made changes to the way refinancing of debt under the Intercept program is approved. Debt can only be refinanced under the following conditions:

Refunding of bonds that refinance amounts previously financed under the Intercept Program at a lower cost and that do not extend the term of the debt must be approved by the State Treasurer's Office. The Treasurer has 15 days from the time a request is submitted to send an approval certification. The Treasurer may provide this certification even if a governing board is not currently able to comply with the coverage ratios and credit rating requirements. To obtain guidance on how the State Treasurer processes approvals, please contact Jonathan Forbes, Deputy Treasurer, at 303-866-4951 or [jon.forbes@state.co.us](mailto:jon.forbes@state.co.us).

For governing boards that qualify for the Intercept program based on coverage ratio and credit rating, refinancing bonds previously financed outside of the Intercept program or that extend the length of a repayment will need to receive approval through the CDC/JBC process.

For governing boards that do not qualify for the Intercept program based on coverage ratio and credit rating, refinancing previously financed outside of the intercept program or that extend the length of a repayment will need to receive approval through the CDC/JBC process and must receive a recommendation from the Treasurer.

Institutions must seek approval from the State Treasurer to use the Higher Education Intercept program and notify CDHE, OSPB, CDC and JBC of such request.

## Appendix A

### CCHE Statutory Authority for Capital Construction

Most of CDHE's statutory authority for review of capital construction projects comes from the Colorado Revised Statutes (C.R.S.) 23-1-106- *Duties and powers of the commission with respect to capital construction and long-range planning*. In italics in parentheses following each subsection is information about where to find information about it in this manual, CDHE policies, or elsewhere.

(1) Except as permitted by subsection (9) of this section, it is declared to be the policy of the general assembly not to authorize any activity requiring capital construction or capital renewal for state institutions of higher education unless approved by the commission.

(2) The commission shall, after consultation with the appropriate governing boards of the state institutions of higher education and the appropriate state agencies, have authority to prescribe uniform policies, procedures, and standards of space utilization for the development and approval of capital construction or capital renewal programs by institutions.

(3) The commission shall review and approve facility master plans for all state institutions of higher education on land owned or controlled by the state or an institution and capital construction or capital renewal program plans for projects other than those projects described in subsection (9) of this section. The commission shall forward the approved facility master plans to the office of the state architect. Except for those projects described in subsection (9) of this section, no capital construction or capital renewal shall commence except in accordance with an approved facility master plan and program plan.

(4) The commission shall ensure conformity of facilities master planning with approved educational master plans and facility program plans with approved facilities master plans.

(5) (a) The commission shall approve plans for any capital construction or capital renewal project at any state institution of higher education regardless of the source of funds; except that the commission need not approve plans for any capital construction or capital renewal project at a local district college or area technical college or for any capital construction or capital renewal project described in subsection (9) of this section.

(b) The commission may except from the requirements for program and physical planning any project that requires two million dollars or less if the capital construction project is for new construction and funded solely from cash funds held by the institution or the project is funded through the higher education revenue bond intercept program established pursuant to section 23-5-139, or ten million dollars or less if the project is not for new construction and is funded solely from cash funds held by the institution.

(6) (a) The commission shall request annually from each governing board of each state institution of higher education a five-year projection of capital construction or capital renewal projects to be constructed but not including those projects described in subsection (9) of this section. The projection must include the estimated cost, the method of funding, a schedule for project completion, and the governing board-approved priority for each project. The commission shall determine whether a proposed project is consistent with the role and mission and master planning of the institution and conforms to standards recommended by the commission.

(b) The commission shall request annually from the governing board of each state institution of higher education a two-year projection of capital construction projects to be undertaken pursuant to subsection (9) of this section and estimated to require total project expenditures exceeding two million dollars if the capital construction project is for new acquisitions of real property or new construction and funded solely from cash funds held by the institution or the project is funded through the higher education revenue bond intercept program established pursuant to section 23-5-139, or exceeding ten million dollars if the project is not for new acquisitions of real property or new construction and is funded solely from cash funds held by the institution. The projection must include the estimated cost, the method of funding, and a schedule for project completion for each project. A state institution of higher education shall amend the projection prior to commencing a project that is not included in the institution's most recent projection.

(7) (a) The commission annually shall prepare a unified, five-year capital improvements report of projects to be constructed, but not including those capital construction or capital renewal projects to be undertaken pursuant to subsection (9) of this section, coordinated with education plans. The commission shall transmit the report to the office of state planning and budgeting, the office of the state architect, the capital development committee, and the joint budget committee, consistent with the executive budget timetable, together with a recommended priority of funding of capital construction or capital renewal projects for the system of public higher education. The commission shall annually transmit the recommended priority of funding of capital construction or capital renewal projects to the capital development committee no later than November 1 of each year.

(b) Except as provided in subsection (5) of this section, it is the policy of the general assembly to appropriate funds only for capital construction or capital renewal projects approved by the commission.

(c) (I) (A) The commission annually shall prepare a unified, two-year report for capital construction or capital renewal projects described in subsection (9) of this section that are not for new acquisitions of real property or new construction and are estimated to require total project expenditures exceeding ten million dollars, coordinated with education plans. The commission shall transmit the report to the office of state planning and budgeting, the governor, the capital development committee, and the joint budget committee, consistent with the executive budget timetable.

(B) The commission annually shall prepare a unified, two-year report for capital construction projects for new acquisitions of real property or for new construction, described in subsection (10) of this section, estimated to require total project expenditures exceeding two million dollars, coordinated with education plans. The commission shall transmit the report to the office of state planning and budgeting, the governor, the capital development committee, and the joint budget committee, consistent with the executive budget timetable.

(II) (A) The commission shall submit the two-year projections prepared by each state institution of higher education for each two-year period to the office of state planning and budgeting and the capital development committee. The capital development committee shall conduct a hearing in each regular legislative session on the projections and either approve the projections or return the projections to the state institution of higher education for modification. The commission and the office of state planning and budgeting shall provide the capital development committee with comments concerning each projection.

(B) A state institution of higher education may submit to the staff of the capital development committee, the commission, and the office of state planning and budgeting an amendment to its approved two-year projection. The capital development committee shall conduct a hearing on the amendment within thirty days after submission during a regular legislative session of the general assembly or within forty-five days after submission during any period that the general assembly is not in regular legislative session. The capital development committee shall either approve the projections

or return the projections to the state institution of higher education for modification. The commission and the office of state planning and budgeting shall provide the capital development committee with comments concerning each amendment.

(8) Repealed.

(9) (a) Except as provided in paragraph (d) of this subsection (9), a capital construction or capital renewal project for an auxiliary facility initiated by the governing board of a state institution of higher education that is contained in the most recent two-year projection approved pursuant to subparagraph (II) of paragraph (c) of subsection (7) of this section, as the projection may be amended from time to time, and that is to be acquired or constructed and operated and maintained solely from cash funds held by the institution is not subject to additional review or approval by the commission, the office of state planning and budgeting, the capital development committee, or the joint budget committee; except that, if the capital construction or capital renewal project for an auxiliary facility is to be acquired or constructed in whole or in part using moneys subject to the higher education revenue bond intercept program established pursuant to section 23-5-139, then the governing board of a state institution of higher education must obtain approval from the general assembly as specified in that section.

(b) Except as provided in paragraph (d) of this subsection (9), a capital construction or capital renewal project for an academic facility initiated by the governing board of a state institution of higher education that is contained in the most recent two-year projection approved pursuant to subparagraph (II) of paragraph (c) of subsection (7) of this section, as the projection may be amended from time to time, and that is to be acquired or constructed solely from cash funds held by the institution and operated and maintained from such funds or from state moneys appropriated for such purpose, or both, is not subject to additional review or approval by the commission, the office of state planning and budgeting, the capital development committee, or the joint budget committee; except that, if the capital construction or capital renewal project for an academic facility is to be acquired or constructed in whole or in part using moneys subject to the higher education revenue bond intercept program established pursuant to section 23-5-139, then the governing board of a state institution of higher education must obtain approval from the general assembly as specified in that section. Any capital construction or capital renewal project subject to this paragraph (b) must comply with the high performance standard certification program established pursuant to section 24-30-1305.5, C.R.S.

(c) Each governing board shall ensure, consistent with its responsibilities as set forth in section 5 (2) of article VIII of the state constitution, that a capital construction or capital renewal project initiated pursuant to this subsection (9) is in accordance with its institution's mission, be of a size and scope to provide for the defined program needs, and be designed in accordance with all applicable building codes and accessibility standards.

(d) (I) (Deleted by amendment, L. 2016.)

(II) A plan for a capital construction or capital renewal project is not subject to review or approval by the commission if such project is:

(A) Estimated to require total expenditures of two million dollars or less if the capital construction project is for new acquisitions of real property or for new construction and funded solely from cash funds held by the institution or the project is funded through the higher education revenue bond intercept program established pursuant to section 23-5-139; or

(B) Estimated to require total expenditures of ten million dollars or less if the project is not for new acquisitions of real property or for new construction and is funded solely from cash funds held by the institution.

(e) A capital construction or acquisition project approved and appropriated prior to January 1, 2010, may be contained in the most recent unified two-year capital improvements project projection approved pursuant to subparagraph (II) of paragraph (c) of subsection (7) of this section. The projection may be amended from time to time and is not subject to additional review or approval by the commission, the office of state planning and budgeting, the capital development committee, or the joint budget committee.

(f) The governing board of a state institution of higher education that enters into an agreement to lease a building from a school district, as authorized in section 22-32-110 (1) (f.5), C.R.S., shall notify the capital development committee of the existence of the agreement and provide to the committee a summary of the terms of the agreement.

(10) Repealed.

(10.2) (a) (I) Notwithstanding any law to the contrary, all academic facilities acquired or constructed, or an auxiliary facility repurposed for use as an academic facility, solely from cash funds held by the state institution of higher education and operated and maintained from such cash funds or from state moneys appropriated for such purpose, or both, including, but not limited to, those facilities described in paragraph (b) of subsection (9) of this section, that did not previously qualify for state controlled maintenance funding will qualify for state controlled maintenance funding, subject to funding approval by the capital development committee and the eligibility guidelines described in section 24-30-1303.9, C.R.S.

(II) For purposes of this paragraph (a), the eligibility for state controlled maintenance funding commences on the date of the acceptance of the construction or repurposing of the facility or the closing date of any acquisition. The date of the acceptance of construction or repurposing shall be determined by the office of the state architect.

(b) (I) The general assembly hereby finds, determines, and declares that the classification of facilities as academic facilities or auxiliary facilities can be difficult, and such classifications often change as academic needs, student needs, and new construction and design practices emerge. Therefore, the office of the state architect, in collaboration with the department of higher education and the office of state planning and budgeting, shall develop guidelines in order to assist such classification. The guidelines shall be annually reviewed and approved by the capital development committee. The guidelines must address the following two factors that have historically been considered when classifying academic facilities and auxiliary facilities:

(A) The funding source for the facility; and

(B) The nature and use of the facility.

(II) The guidelines established pursuant to this paragraph (b) must use the definitions set forth in subsection (10.3) of this section.

(10.3) As used in this section, unless the context otherwise requires:

(a) "Academic facility" means any facility, including any supporting utility infrastructure and site improvements, that is central to the role and mission of each state institution of higher education as set forth in this title. Examples include, but are not limited to, classrooms, libraries, and administrative buildings.

(b) "Auxiliary facility" means any facility, including any supporting utility infrastructure and site improvements, funded from an auxiliary source such as housing or parking revenue or any facility that has been historically managed as an auxiliary facility and is accounted for in financial statements of

state institutions of higher education as a self-supporting facility. Examples include, but are not limited to, housing facilities, dining facilities, recreational facilities, and student activities facilities.

(c) "Capital construction" has the same meaning as set forth in section 24-30-1301 (2), C.R.S.

(d) "Capital renewal" has the same meaning as set forth in section 24-30-1301 (3), C.R.S.

(e) "Facility" has the same meaning as set forth in section 24-30-1301 (8), C.R.S.

(e.5) "Real property" has the same meaning as set forth in section 24-30-1301 (15), C.R.S.

(f) "State institution of higher education" means a state institution of higher education as defined in section 23-18-102 (10), and the Auraria higher education center created in article 70 of this title.

(10.5) (a) For any project subject to subsection (9) of this section, if, after commencement of construction, the governing board of the state institution of higher education receives an additional gift, grant, or donation for the project, the governing board may amend the project without the approval of the commission, the office of state planning and budgeting, the capital development committee, or the joint budget committee so long as the governing board notifies the commission, the office of state planning and budgeting, the capital development committee, and the joint budget committee in writing, explaining how the project has been amended and verifying the receipt of the additional gift, grant, or donation.

(b) For any project subject to subsection (9) of this section, the governing board may enhance the project in an amount not to exceed fifteen percent of the original estimate of the cost of the project without the approval of the commission, the office of state planning and budgeting, the capital development committee, or the joint budget committee so long as the governing board notifies the commission, the office of state planning and budgeting, the capital development committee, and the joint budget committee in writing, explaining how the project has been enhanced and the source of the moneys for the enhancement.

(c) For any project subject to subsection (9) of this section, the governing board of the state institution of higher education implementing the project is not required to submit for the project quarterly expenditure reports as described in section 24-30-204 (2), C.R.S. The governing board shall submit for the project annual expenditure reports as required in section 24-30-204 (1), C.R.S.

(11) (a) Each state institution of higher education shall submit to the commission on or before September 1 of each year a list and description of each project for which an expenditure was made during the immediately preceding fiscal year that:

(I) Was not subject to review by the commission pursuant to subsection (9) of this section;

(II) Repealed.

(III) Was estimated to require total expenditures of two million dollars or less if the capital construction project is for new acquisitions of real property or for new construction and was funded solely from cash funds held by the institution or the project was funded through the higher education revenue bond intercept program established pursuant to section 23-5-139, or was estimated to require total expenditures of ten million dollars or less if the project was not for new acquisitions of real property or for new construction and was funded solely from cash funds held by the institution; or

(IV) Was amended or enhanced after commencement of construction pursuant to subsection (10.5) of this section.

(b) The commission shall submit a compilation of the projects to the office of the state architect and the capital development committee on or before December 1 of each year.

(12) Each state institution of higher education shall submit to the commission a facility management plan or update required by section 24-30-1303.5 (3.5), C.R.S. The commission shall review the facility management plan or update and make recommendations regarding it to the office of the state architect.

(13) (Deleted by amendment, L. 2014.)

HISTORY: Source: L. 85: Entire article R&RE, p. 754, § 1, effective July 1.L. 92: (9) added, p. 583, § 2, effective June 1.L. 93: (9) amended, p. 1825, § 8, effective June 6.L. 94: (5) amended, p. 1795, § 3, effective May 31.L. 2001: (5) and (9) amended and (10) and (11) added, p. 664, § 1, effective August 8; (7)(a) amended, p. 492, § 1, effective August 8.L. 2003: (12) added, p. 962, § 1, effective July 1.L. 2005: (5)(a), (9)(a), and (10) amended, p. 1016, § 9, effective June 2.L. 2008: (5)(b), (9)(a), (9)(c), and (10) amended, p. 260, § 1, effective March 31; (8) amended, p. 1471, § 5, effective May 28.L. 2009: (1), (3), (6), (7), (8), and (11) amended and (10.5) and (13) added, (SB 09-290), ch. 374, p. 2035, § 1, effective August 5; (9) and (10)(a) amended, (SB 09-290), ch. 374, p. 2038, § 2, effective January 1, 2010. L. 2010: (3), (5)(a), (6), (7)(a), (7)(c)(I), (9), (10), (10.5)(a), and (11)(a)(IV) amended and (8) repealed, (SB 10-003), ch. 391, p. 1854, 1853, § § 35, 34, effective June 9.L. 2011: (9)(e) and (10)(c) added and (10.5) amended, (HB 11-1301), ch. 297, p. 1429, § § 25, 26, 27, effective August 10.L. 2012: (9)(a), (9)(b), (10)(a)(I), and (10)(a)(II) amended and (10.2) and (10.3) added, (SB 12-040), ch. 118, p. 401, § 2, effective April 16; (1) amended, (HB 12-1081), ch. 210, p. 902, § 2, effective August 8.L. 2014: Entire section amended, (HB 14-1387), ch. 378, p. 1829, § 34, effective June 6; (10.3)(c) amended, (HB 14-1395), ch. 309, p. 1309, § 7, effective June 6. L. 2015: (3), (7)(a), (11)(b), and (12) amended, (SB 15-270), ch. 296, p. 1216, § 15, effective June 5. L. 2016: (1), (3), (5)(a), (6), (7)(a), (7)(c)(I), (9), (10.2)(a)(I), and (10.5) amended and (10) and (11)(a)(II) repealed, (SB 16-204), ch. 222, p. 848, § 2, effective June 6; (5)(a) amended, (HB 16-1082), ch. 58, p. 142, § 9, effective August 10; (5)(b), (6)(b), (7)(c)(I), (9)(d)(II), and (11)(a)(III) amended and (10.3)(e.5) added, (HB 16-1459), ch. 317, p. 1279, § 1, effective August 10; (9)(f) added, (SB 16-209), ch. 235, p. 951, § 4, effective August 10.

## Appendix B

### Capital Construction and Controlled Maintenance Definitions

A project qualifies for CDHE capital construction review and inclusion in the capital construction budget if it meets the criteria set out below as set forth in C.R.S. 24-30-1301.

A. Capital Asset means:

- Real property;
- Information technology;
- Fixed equipment;
- Movable equipment; or
- Instructional or scientific equipment with a cost that exceeds \$50,000

Capital Asset does not include:

- Instructional or scientific equipment purchased by a state institution of higher education if the institution uses moneys other than those appropriated pursuant to section 24-75-303, C.R.S.

B. Capital Construction includes:

- Acquisition of a capital asset or disposition of real property.
- Construction, demolition, remodeling, or renovation of real property necessitated by changes in the program. Changes in the program may also incorporate the need to meet standards required by applicable codes; to improve energy conservation; to save costs for facility staffing, operations, or maintenance; or to improve appearance.
- Site improvements or development of real property (landscaping, upgraded utilities, signage etc.)
- Installation of the fixed or moveable equipment necessary for the operation of new, remodeled, or renovated real property, if the fixed or movable equipment is initially housed in or on the real property upon completion of the new construction, renovation or remodeling.
- Installation of the fixed or movable equipment necessary for the conduct of programs in or on real property upon completion of the new construction, remodeling, or renovation.
- Contracting for the services from architects, engineers and other consultants to prepare plans, program documents, life-cycle cost studies, energy analyses and other studies associated with any capital construction project and to supervise construction or execution of such capital construction.
- Installation, development, or upgrade of information technology, including the purchase of services for the office of information technology on the condition that the use of such services is the most cost beneficial option or falls within the duties and responsibilities of the office of information technology or the office's chief information officer as described in sections 24-37.5-105 and 24-37.5-106.
- Preliminary planning including initial review of proposed projects for a) conformity with long-range development plans; b) technical and economic feasibility of the project; c) preparation of outline plans and specifications; or d) preparation of preliminary cost estimates.
- A new construction or renovation, including the cost of initial design has the total cost of more than \$500,000.

The following expenses are **NOT** capital construction budget requests:

- Printing, publishing, photocopying, and other similar costs related to project administration;
- Postage, certified mailings, long-distance telephone charges, etc.
- Employee compensation or reimbursement for time performing project-related work regardless of the work performed;
- Reimbursement of "in-town" expenses such as food, fuel, etc.
- Travel and lodging expenses directly related to project management;
- Renting or leasing temporary space for people and equipment to accommodate construction projects; these costs must be paid from operating funds.



- C. **Information Technology Budget Request** categorized as capital construction projects include the installation, development or upgrade of information technology, including the purchase of services from the Office of Information Technology (OIT) the condition that the use of such services is the most cost beneficial option or falls within the duties and responsibilities of OIT. These projects are reviewed and prioritized by the Joint Technology Committee.

Information Technology projects include:

- They have total implementation costs of \$500,000 or more and the majority of the components have a useful life of at least five years. Smaller information technology projects and funding for modifications to existing systems may be requested through the operating budget.
  - Personal computer replacement or maintenance is not included in the information technology request (unless as a component of a much larger institutional computer systems upgrade).
- D. **Capital Outlay** minor construction, renovation, or routine maintenance, and smaller information technology projects, may be requested and paid from the operation budget. This does not include capital construction, controlled maintenance, or capital renewal. It includes operating expenses such as:
- Equipment, meaning motor trucks designated over three-quarters of one ton, tractors, trailers, snowmobiles, boats, machinery, reference books, office furniture, file cabinets, typewriters, adding and calculating machines, and other business machines, having a useful lifetime of one year or more, or other items, including, but not limited to, tools, implements, and instruments, which may be used continuously without material change in physical condition, costing more than \$100 and less than \$50,000.
  - Alterations and replacements, meaning major and extensive repair, remodeling, or alteration of buildings, the replacement thereof, or the replacement and renewal of the plumbing, wiring, heating, and air conditioning systems therein, costing less than \$50,000.
  - New structures, meaning the construction of new buildings where the cost will be less than \$50,000, including the value of materials and labor, either state-supplied or supplied by contract.
  - Non-structural improvements to land, meaning the grading, leveling, drainage, and landscaping thereof and the construction of roadways, fences, ditches, and sanitary and storm sewers, where the cost will be less than \$50,000.
  - CDHE and OSPB, in consultation with the Office of the State Architect, will review on a case by case basis, if needed, to confirm that "Capital Outlay" does not include those things defined as capital construction by section 24-75-301, C.R.S.
- E. **Capital Renewal** requests are classified and prioritized as capital budget requests. Capital Renewal requests have costs exceeding \$2.0 million in a fiscal year and include projects that that are more cost-effective or better addressed by corrective repairs. Program planning requirements are waived for capital renewal projects. Smaller projects are requested as controlled maintenance capital budget requests or projects that can be phased and each phase is less than \$2.0 million.

F. **Controlled Maintenance** includes:

- Corrective repairs or replacement, including improvements for health, life safety, and code requirements used for existing real property; and
- Corrective repairs for replacement, including improvements for health, life safety, and code requirements, of the fixed equipment necessary for the operation of real property, when such work is not funded in an institution of higher education's operating budget.
- May include contracting for the services of architects, engineers, and other consultants to investigate conditions and prepare recommendations for the correction thereof, to prepare plans and specifications, and to supervise the execution of such controlled maintenance projects as provided through an appropriation by the general assembly.

Controlled Maintenance does **NOT** include:

- Corrective repairs or replacement when such work is funded in an institution's operating budget to be accomplished by the institution's physical plant staff.
- Repair and replacement of fixed and movable equipment necessary for the conduct of programs (such repairs are funded as capital renewal).

- Repairs for rented or leased facilities, or facilities maintained by a self-liquidating property fund.
- Minor maintenance projects may not be accumulated to create a controlled maintenance project.

Capital construction projects arise out of an institution's need to create, expand, relocate, or alter a program due to growth, advances in technology or changes in methods or program delivery.

Requests addressing physical space requirements needed to accommodate particular functions, such as those traditionally included in facility programs, would constitute a "program-driven" request, and therefore, be considered a capital construction request.

G. A **Continuation Project** is a project that was:

- Appropriated in a previous year's Long Bill with Capital Construction or General Funds and the institution received funding for that project; or
- Appropriated in a previous year's Long Bill with Capital Construction or General Funds and the institution did not receive funds because the project was de-appropriated due to state budget cuts.
- Included as the out-year funding from a prior request. The out-year funding must have been included in a prior CC-C request that was funded for the initial year.

H. A **Non-continuation Project** is one that can stand alone and may not necessarily require additional appropriations to complete. In these cases, CC-C forms should be submitted in each year the project requests an appropriation. For example, a new state-funded building may require enough time in the design phase that it would be appropriate to request professional services appropriations in year one of the project and construction and equipment funding in subsequent years.

A **Phased Project** is a project that delivers a complete usable portion of a project. For example, a four-phase addition to a building could be submitted as four individual projects if each addition could be completed separately as a stand-alone project.

## Appendix C: FY 2018-19 Criteria and Scoring Method

### #1 Health, Life Safety, and Code Issues

*Projects with clear and urgent life or safety implications.*

ALL INSTITUTIONS	
Health, Life Safety, and Code Issues	Points
A new building for a new program or to mitigate space needs.	N/A - points would not be applied to denominator
Level 3 Controlled Maintenance or less than 20 years since last remodel.	3
Level 2 Controlled Maintenance or 20-30 years since last remodel.	4
Level 1 Controlled Maintenance or 31-40 years since last remodel.	6
Greater than Level 1 Controlled Maintenance/Capital Renewal or Greater than 40 years since last remodel.	8
Documentation from a qualified engineer, fire marshal, attorney, or other qualified third party professional that there is a very significant legal and/or health/life safety risk.	2
<b>TOTAL</b>	<b>/10</b>

## #2 Other Fund Sources\*\*

*Including projects that are funded partly by non-state funds and non-student fee funds.*

<b>RESEARCH INSTITUTIONS</b>	
<i>Cash Contribution of Total Funds Requested</i>	<i>Points</i>
No cash contribution	0
1-9%	6
10-19%	8
20-29%	10
30-39%	12
40-50%	14
Over 50%	15
Use of student fees	Point total *.75
Other Fund Sources Total	/15
<b>FOUR YEAR INSTITUTIONS</b>	
<i>Cash Contribution of Total Funds Requested</i>	<i>Points</i>
No cash contribution	0
1-8%	6
9-16%	8
17-24%	10
25-32%	12
33-40%	14
Over 40%	15
Use of student fees	Point total *.75
Other Fund Sources Total	/15
<b>COMMUNITY COLLEGES</b>	
<i>Cash Contribution of Total Funds Requested</i>	<i>Points</i>
No cash contribution	0
1-5%	6
6-10%	8
11-15%	10
16-20%	12
21-25%	14
Over 25%	15
Use of student fees	Point total *.75
Other Fund Sources Total	/15

*\*\*This category will be worth 15 points based on the amount of other funds that an institution of higher education will provide with the exception of student fees. If an institution includes student fee funding as a source of other fund sources, the institution will be eligible for 75% of the points that they would be eligible for without the use of student fees. Scoring will differ based on the different types of institutions.*

### **#3 Space Needs Analysis**

*Reflects how much space the institution or department has in its inventory, justification on how well the space needs are filled by the request, and how much space it needs based on the Master Plan, FTE projections, or student enrollment projections.*

<b>ALL INSTITUTIONS</b>	
<b>Space Needs</b>	<b>Points</b>
No Space Needs/Capital Renewal.	<b>N/A - points would not be applied to denominator</b>
Programmatic space needs, not necessarily a shortage of space.	<b>5</b>
Large space needs but not as pressing and does not cause a waiting list for programs. Does not affect the general population but addresses a specific need or problem.	<b>7</b>
Massive space needs (usually including waiting lists or “bottleneck programs”) that affect the general population.	<b>9</b>
Waiting lists in place for courses due to space and affects one of the “Top 30 Occupations with Highest Projected Opening with More than Half of Workers with Postsecondary Experience” included in the most recently released Skills for Jobs report.	<b>10</b>
<b>TOTAL</b>	<b>/10</b>

**#4 Clear Identification of Beneficiaries**

*Request must clearly identify the individuals that will be served and how they will be served better by the project requested.*

ALL INSTITUTIONS	
Clear Identification of Beneficiaries	Points
Affects mostly faculty office space.	2
Affects some students or only faculty research.	4
Affects most students.	6
Affects whole campus.	8
<b>TOTAL</b>	<b>/8</b>

**#5 Achieves Goals**

*(Integral to achieving statewide policy goals/integral to institutional planning goals including: Higher Education Master Plan, State Goals and Needs, Institutional Facilities Master Plan, Institutional Strategic Plan, and 5-year needs list)*

ALL INSTITUTIONS	
Achieves Goals	Points
Does not articulate any goals that are met.	0
Missing 4 goals.	1
Missing 3 goals.	2
Missing 2 goals.	3
Missing 1 goal.	4
Meets goals/aligns with: Higher Education Master Plan, State Goals and Needs, Institutional Facilities Master Plan, Institutional Strategic Plan, and 5-year needs list.	5
<b>TOTAL</b>	<b>/5</b>

### #6 Governing Board Priority

*Projects will receive points based upon the priority that the governing board has assigned to each project.*

<b>CU and CSU SYSTEM</b>	
Governing Board Priority	Points
Higher than Sixth Priority	2
Sixth Priority	4
Fifth Priority	6
Fourth Priority	10
Third Priority	15
Second Priority	17
Top Priority	20
<b>Total</b>	<b>/20</b>
<b>OTHER 4-YEAR INSTITUTIONS</b>	
Governing Board Priority	Points
Higher than Sixth Priority	2
Sixth Priority	4
Fifth Priority	6
Fourth Priority	8
Third Priority	10
Second Priority	15
Top Priority	20
<b>Total</b>	<b>/20</b>
<b>COMMUNITY COLLEGES</b>	
Governing Board Priority	Points
Higher than Sixth Priority	2
Sixth Priority	6
Fifth Priority	8
Fourth Priority	12
Third Priority	15
Second Priority	17
Top Priority	20
<b>Total</b>	<b>/20</b>