



ACCESS TO HIGH-QUALITY, AFFORDABLE EDUCATION FOR ALL COLORADANS

INSTRUCTION MANUAL FOR
HIGHER EDUCATION FACILITIES,
PROGRAM PLANNING AND BUDGETING
Fiscal Year 2008-09

ISSUED BY THE
COLORADO DEPARTMENT OF HIGHER EDUCATION
WITH THE APPROVAL OF THE
OFFICE OF STATE PLANNING AND BUDGETING
REVISED May 15, 2007

STATE OF COLORADO



DEPARTMENT OF HIGHER EDUCATION

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MEMORANDUM

TO: Higher Education Capital Construction Advisory Committee (CCAC) Members; Higher Education CFOs; Higher Education Facility Planners

FROM: Andy Carlson, Director, Capital Assets and Compliance

DATE: May 15, 2007

SUBJECT: Capital Construction Budget Requests for Fiscal Year 2008-2009

Attached please find the Department of Higher Education (DHE) "Instruction Manual for Higher Education Facilities, Program Planning and Budgeting for FY 2008-2009." Please be sure to review the manual and the deadlines set forth in the schedule as all institutions will be held to them this year. We have revised this manual and the budget forms to comply with recent statutory changes.

Andy Carlson will be managing the capital construction review process and all submittals and questions should be directed to his attention. He can be reached at (303) 866-4025. Ryan Stubbs will also be involved in the process and the review of program plans and will be available to answer any questions that you may have. He can be reached at (303) 866-4034.

Higher Education in Colorado fared very well for the coming fiscal year (FY 07-08) as far as both Capital Construction and Controlled Maintenance are concerned. With the passage of SB07-222 and the additional \$30 million transfer, institutions of higher education will receive about \$142.3 million for Capital Construction and Controlled Maintenance (compared to about \$75 million in FY06-07). This appropriation includes state funding for 18 capital projects and numerous Controlled Maintenance projects. It is important to note that the revenue forecasts from both the Legislative Council and the Governor's Office of State Planning and Budgeting anticipate a decline in available capital revenues in upcoming fiscal years. At the same time, many of the projects approved this year have out year costs which will take up a large percentage of available future funding. Our work will continue to be cut out for us.

DHE will continue to accept all projects that meet the statutory guidelines and budget deadlines set forth in the attached Instruction Manual for consideration in FY08-09. However, in developing the higher education priority list, we will again rely heavily on the priorities of governing boards with a focus on health and life safety projects, programmatic improvements, and continuation projects.

Of particular importance is one major change effecting FY08-09 capital construction requests. SB07-051, "Concerning a Requirement for Increased Resource Efficiency for State-Assisted Buildings," was signed into law by Governor Ritter on Monday, April 16, 2007, requiring all program plans for state- and cash-funded (non-202) projects submitted for FY08-09 funding to comply with the bill's new requirements. This manual and some of our budget forms have been modified to incorporate the new requirements. Institutions of higher education should be aware of and may have to modify program plans due to SB07-051. Refer to the new policy by the Office of the State Architect, High Performance Certification Program available at www.colorado.gov/dpa/dfp/sbrep/energy.htm for additional information.

Additionally, staff would like to draw attention to two items that have been required by this budget manual in the past, but are not usually submitted by institutions. Both items are described on pages 12 and 13 of this manual and will be required for each Governing Board's capital submittal. One is the Governing Board Annual Fiscal Report on Cash-Funded Projects (due August 14) and the other is the Governing Board Priority Statement accompanying the CC-P form (due July 16th).

TABLE OF CONTENTS

Introduction	1
Capital Construction Budget and Program Plan Schedule for 2007-2008 Projects	3
CCHE Prioritization of State-Funded Projects.....	5
Capital Construction Projects	6
General	6
Program Plan Waivers	8
State Funded.....	9
Information Technology Projects	9
Capital Renewal Building/Infrastructure Projects	9
Cash Funded.....	9
SB 92-202	10
SB 01-209	10
DHE Budget Document Review	11
Budget Documents.....	11
General	11
Capital Construction Budget Requests (CC-C, CC-IT).....	12
Five-Year Capital Construction Program (CC-P)/Governing Board Priority ..	12
Supplemental Appropriations (CC-B).....	12
Governing Board Annual Fiscal Reports on Cash-Funded Projects	13
Capital Construction Budget Form Instructions.....	13
CC-C and CC-IT: Capital Construction Project Requests FY 2008-2009.....	13
CC-C: Project Costs and Approval Cover Sheet Instructions.....	13
CC-IT: Project Costs and Approval Cover Sheet Instructions	18
CC-C and CC-IT: Support Information Instructions	22
CC-P: Five-Year Capital Construction Plan FY 2008/09-FY 2012/13	26
CC-B: Supplemental Capital Construction Request FY 07-08.....	27

The following Budget Forms are not in this manual. They were sent via email:

- CC-C: Capital Construction Building Project Request FY 2008-2009
Project Costs and Approval Cover Sheet
Support Information Form
- CC-IT: Capital Construction Technology Project Request FY 2008-2009
Project Costs and Approval Cover Sheet
Support Information Form
- CC-P: Five-Year Capital Construction Plan FY 2008/09-FY 2012/13
- CC-B: Supplemental Capital Construction Request FY 07-08
- CM-03 SBREP Capital Renewal Building/Infrastructure Request

If you did not receive the above forms, please contact Andy Carlson at Andrew.Carlson@cche.state.co.us or 303-866-4025.

Appendices:

Appendix A: CCHE Statutory Authority for Capital Construction	A1
Appendix B: Capital Construction and Controlled Maintenance Definitions	A4
Appendix B: Department and Agency Codes.....	A8
Appendix C: Capital Assets Purpose Codes.....	A9
Appendix D: COFRS Higher Education Financial Reporting System Program and Fund Codes	A10
Appendix E: Memorandum of Understanding between State Controller's Office and Capital Development Committee Six-Month Rule	A12
Appendix F: Special Instructions for Higher Education Information Technology Program Plans	A14

INTRODUCTION

The Department of Higher Education (DHE) is charged, by statute, 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) and the Joint Budget Committee (JBC), DHE, since 1981, has annually issued an instruction manual for higher education capital projects.

This manual discusses DHE budgeting and planning processes for capital and information technology projects for state-supported higher education institutions. It includes a list of deadlines for the FY08-09 budget year, the processes DHE follows in reviewing various budget documents and capital construction projects, the DHE prioritization policy for ranking state-funded projects, and instructions for completing the various applicable budget forms. These forms are available on the Department's website at <http://www.state.co.us/cche/capassets/forms/index.html>. DHE Capital policies cited or referenced in this manual can be accessed from the DHE website. The policies, with their specific pathways, include:

- Section III, Part D - Guidelines for Long-Range Facilities/Infrastructure Master Planning:

<http://www.state.co.us/cche/policy/newpolicies/iii-partd.pdf>

- Section III, Part E - Guidelines for Facilities Program Planning:

<http://www.state.co.us/cche/policy/newpolicies/iii-parte.pdf>

- Section III, Part M - Capital Improvement Program Policies:

<http://www.state.co.us/cche/policy/newpolicies/iii-partm.pdf>

- Section III, Part Q - Policies for Self-Funded Capital Construction:

<http://www.state.co.us/cche/policy/newpolicies/iii-partq.pdf>

- Facility Program Planning Guidelines

<http://www.state.co.us/cche/capassets/guidelines/fppg.pdf>

- Facilities Master Planning Guidelines

<http://www.state.co.us/cche/capassets/guidelines/fmpg.pdf>

- Space Utilization Guidelines

<http://www.state.co.us/cche/capassets/guidelines/sug.pdf>

DHE's Guidelines for Program Planning, Master Planning, and Space Utilization were finalized and approved in April 2007. Since many institutions began program planning for FY08-09 before the new guidelines were finalized, the Department understands that these plans may be based on the old policies and guidelines.

CAPITAL CONSTRUCTION BUDGET AND PROGRAM PLAN
SCHEDULE FOR 2008-2009 REQUESTS

Governing Boards and Institutions:	Due Dates
Forward Five-Year Capital Construction Plan (FY08-09 through FY12-13) to DHE (Submit 1 electronic copy) <ul style="list-style-type: none"> • CC-P form Forward Governing Board Priorities for all major state-funded capital construction projects to DHE (Submit 1 electronic copy).	July 16, 2007
Forward FY08-09 FINAL Capital Construction Project Requests to DHE (Submit 1 electronic copy of budget documents; 1 paper copy of each facility program plan); CM-03 (Capital Renewal requests) submitted at same the same time to Office of the State Architect (OSA) and OSPB. <ul style="list-style-type: none"> • CC-C and CC-IT forms & Support Information • Facility Program Plans • OSA CM-03 (for capital renewal) 	July 16, 2007
Forward self-funded capital projects (cash funded, as well as SB92-202 projects, if possible) to DHE (Submit 1 electronic copy of budget documents, 1 paper copy of each facility program plan). <ul style="list-style-type: none"> • CC-C and CC-IT forms & Support Information • Facility Program Plans 	August 6, 2007
Governing Boards forward to DHE a Cash-Funded Projects Capital Construction Budget Addendum to disclose source and use of funds for each major cash-funded capital construction project; and an annual fiscal report on the cumulative impact of All major and minor cash-funded projects for FY08-09. (Major: more than \$500,000; minor: \$500,000 or less.)	August 14, 2007
Forward list (on 209 forms) of cash-funded capital projects – SB01-209 projects – (\$1 million or less for SB92-202 projects (constructed , operated and maintained with cash and \$500,000 or less for cash –constructed and operated & maintained with either cash or general fund or both) to DHE.	September 10, 2007
Forward Board-approved Five-Year Controlled Maintenance Plan and Status Reports on Controlled Maintenance and Capital Construction Projects to the Office of the State Architect.	September 4, 2007
Forward supplemental appropriation requests for FY 07-08 or prior years to DHE (Submit 1 electronic copy) <ul style="list-style-type: none"> • CC-B form 	November 1, 2007
DHE Schedule:	
Consult with institutions in preparation of FY08-09 requests and FY08-09 to FY12-13 Five-Year Capital Construction plans	Through mid-July
Coordinate state-level reviews of institution requests	July to September
Submit list of state funded capital construction budget requests to Office of State Planning and Budgeting (OSPB)	August 6, 2007

Forward list of capital construction budget requests to Capital Development Committee (CDC) staff.	August 31, 2007
DHE Subcommittee on Capital Assets meets with CCAC members & others to finalize recommendations to Commission on the DHE priority list of state-funded capital projects.	Sept. 5-14, 2007
Prepare DHE capital budget priorities, 5-year capital construction program for October Commission agenda	September 18 2007
Coordinate state-wide prioritization list with OSPB	October
Submit supplemental requests to OSPB	November 1, 2007
Submit prioritized list and program plan reviews to CDC, JBC & OSPB.	November 1, 2007

DHE PRIORITIZATION OF STATE-FUNDED PROJECTS

The Department of Higher Education annually prioritizes **ALL** state-funded (Capital Construction Funds Exempt or CCFE) capital construction project requests prior to submission to the General Assembly. Projects costing less than \$500,000 CCFE that are granted a waiver from the program planning requirements are prioritized alongside projects with costs exceeding \$500,000. The Department does not prioritize cash-funded projects or SB92-202 projects. Instead, it reviews cash-funded projects and recommends them for cash spending authority to the General Assembly. Cash-funded and SB92-202 projects that DHE staff recommends for disapproval or that DHE staff believe raise policy issues are referred to the Commission.

Also, the Department neither reviews nor prioritizes Controlled Maintenance requests. Institutions submit these requests to the Office of the State Architect within the Department of Personnel and Administration.

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 approved space and utilization standards, where applicable. In prioritizing a project, financial feasibility and conformance with established planning guidelines may be considered.

Last year the Department based their prioritization on the following criteria and it is the intent of Department staff to use this general framework to develop the FY08-09 priority list. The following criteria have not been adopted as Department Policy and any project may receive prioritization at the discretion of the Commission (note: due to the typical size of their projects, the Department considered multiple CCCS projects within Levels II through IV):

1. Prioritize continuation projects as Level I;
2. Prioritize each governing board's number one priority as Level II and rank order this level based on health and life safety concerns, or on the programmatic improvements realized by the projects;
3. Prioritize each governing board's number two priority as Level III and rank order this level based on health and life safety concerns, or on the programmatic improvements realized by the projects; and
4. Prioritize each governing board's remaining priorities as Level IV and rank order this level based on health and life safety concerns, or on the programmatic improvements realized by the projects.

For FY08-09, the prioritization list will be reviewed and approved by the Commission's Sub-Committee on Capital Assets and the Commission as a whole prior to submission to the General Assembly in November 2007.

Capital Construction Projects

General

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

- Capital construction projects costing less than \$500,000 in state funds for which requests for exemptions from the requirements of program and physical planning must be submitted to DHE. (See the section on program plan waivers below.)
- Capital construction projects costing \$1 million or less and constructed, operated and maintained with cash or federal funds and capital projects costing \$500,000 or less and constructed with cash funds but operated and maintained with either cash, general funds or a combination of both are called SB01-209 projects. These projects are simply reported to DHE by September 1 of each year for the previous fiscal year. (See the section on SB01-209 projects below.)
- Capital Renewal projects for which the Office of the State Architect CM-03 form, and possibly a feasibility study, may be required in lieu of a formal program plan (See the section on Capital Renewal projects below).

All other new capital requests require program plans. Program plans must follow applicable policy in DHE Policy Section III, Part E – Facilities Program Planning [<http://www.state.co.us/cche/policy/newpolicies/iii-parte.pdf>] and the Facility Program Planning Guidelines for Higher Education Capital Construction Projects [<http://www.state.co.us/cche/capassets/guidelines/fppg.pdf>].

Because these guidelines were implemented in April 2007 when many institutions had already begun developing program plans for submission, institutions may follow the previous policy and guidelines that were in effect prior to April 2007.

Program plans are reviewed for appropriateness, necessity, and sufficiency of the project with respect to institution programs, applicable state policies, plans and standards, and consideration of alternative actions and timetables. Each program plan should:

- Receive the approval of the institution's governing board within 30 days of submittal to DHE; the governing board should send to DHE 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 and technology plans;
 - 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; and
 - Is consistent with the institutional five-year capital construction program schedule.

- Include a third-party independent review (one performed by an engineer, architect, or information technology expert 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.

DHE reviews the program plans for:

- Consistency with the institution's role and mission, academic, facility, and technology master plans; and state higher education policy;
- Consistency of space utilization with DHE guidelines and campus physical master plan space allocations;
- Appropriateness of source of funds, cost estimate methods, financing implications, impact on operations and maintenance at projected enrollment increments.

Program plans submitted to DHE previously that were not funded for FY07-08 will not be considered for FY08-09 unless an executive summary is sent to DHE demonstrating 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 governing board must indicate in its priority statements that such unimplemented program plans either retain their previous prioritization or have been reprioritized. For projects that remain unfunded for three years after original submission, the governing board will be asked to withdraw the plan and re-evaluate the project. (DHE – Capital Assets Policy III-E – 1.06).

In very rare instances, DHE may determine that an emergency proposal may need expeditious review. DHE staff will immediately notify the institution, governing board staff, and state administrative agencies of its intent to bypass certain procedures.

Funded, DHE-approved program plans for which state capital construction money has been appropriated or cash spending authority given must meet three state fiscal rules or risk having the money withdrawn, particularly in times when state revenues are insufficient to meet the state government budget:

- **The six month rule**, which states that all professional services (i.e. architect and engineering services) must be encumbered within six months of 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. (See Appendix E for more information);
- **The one-year rule**, which states that all projects must be initiated within one year from the appropriation as demonstrated when expenses for the project have been incurred; and
- **The three-year rule**, which states that institutions have three years to complete their project. Funds that have not been encumbered at the end of three years will revert back to the State. The three-year time limit starts over each time the institution receives new appropriations for the same project.

More details on the types of capital construction projects follow, with information on how DHE reviews them:

Program Plan Waivers

Requests for exemptions from the statutory requirements of program and physical planning may be granted for projects costing **\$500,000 or less in state money (CCFE)** if sufficient information is presented. That information should include 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. The waiver request should 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 exempt money are prioritized with all other state-funded projects (CCFE). Institutions are not

required to request a waiver from the program planning requirements for cash funded projects under \$500,000 and 202 projects under \$1 million. These projects are reported as 209 projects (see p. 10).

State Funded Projects

Projects for which capital construction funds exempt (CCFE or state-funds) funding is requested for all or part of the total cost 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). DHE reviews state funded requests according to the criteria listed above, and prioritizes them prior to forwarding them to the General Assembly. The types of state-funded projects listed below have special requirements.

Information Technology Projects

Information technology program plans should follow the format in Appendix F of this manual. Staff reviews the program plans with the assistance of the DHE Chief Information Officers Council (CIO Council). Members of the CIO Council review the budget documents and pertinent sections of the program plans, and comment on the plans. Information technology projects also may be submitted for cash spending authority.

Capital Renewal Projects

This category of projects began for the FY02-03 budget submission, and is intended for large controlled maintenance projects (that is, projects that are maintenance-, not program-driven) of \$2 million or more. Institutions should submit the OSA CM-03 form simultaneously to DHE, OSA, and OSPB. The OSA CM-03 form should be accompanied by an explanation of how the project is maintenance-driven, not program-driven. DHE 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 (If there is any question on whether a specific project qualifies as a capital renewal project or is driven by program, institutions should consult with DHE and OSA staff). OSA then completes the review of the projects. If approved by both DHE and OSA, the projects are included in the prioritized list of capital construction projects that DHE recommends to the General Assembly. Capital renewal projects may also be submitted for cash spending authority.

Cash Funded Projects

Projects that are to be undertaken solely with either cash funds (CF) or cash funds exempt (CFE) moneys, but operated and maintained out of state operational funds, cash funds or a combination of both, are considered cash funded. Program plans are required for projects costing more than \$500,000. Projects costing \$500,000 or less are submitted on the SB01-209 list (see SB01-209 section below). Besides being reviewed for the items outlined above, the program plan is examined to ensure that governing board approvals contain the following statements of fact and that sufficient information

is provided in the program plan to assure DHE 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.

Cash-funded projects are referred to the General Assembly for cash spending authority and are included in the Long Bill, with the source of funds given as either Cash Funds or Cash Funds Exempt (Note: As long as institutions maintain TABOR Enterprise status, the source of funds for these projects will always be Cash Funds Exempt).

SB92-202 Projects

SB92-202 projects are those 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. 202 projects are not eligible for future Controlled Maintenance funding. Program plans are required for those projects estimated to cost more than \$1 million. Unlike cash-funded projects, SB92-202 projects can be submitted at any time during the year, but, if possible, should be submitted by the same deadline as cash-funded projects. If the mid-August deadline cannot be met, then the program plans should be submitted no later than February 1st to ensure inclusion in the Long Bill for information purposes. The program plans are reviewed for the same items as discussed for the cash-funded projects, with the added requirement that DHE staff must be assured that funds will come from only allowable sources and that sufficient funds will be available to cover both construction and remodeling costs, as well as all operation and maintenance costs.

SB01-209 Projects

Capital projects costing \$1 MILLION OR LESS (SB92-202 Projects) OR \$500,000 OR LESS (cash projects operated and maintained with cash, General Fund or a combination of both) that are above the limit for capital outlays are categorized as SB01-209 projects. 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. Funds to pay for these projects must be:

- Solely from cash funds held by an institution; or
- From auxiliary enterprises, student fees, research building revolving funds, wholly endowed gifts and bequests, or a combination of such sources.

For these projects, no DHE review is required. Instead, institutions should report to DHE all such expenditures for small capital projects for the preceding fiscal year. The next report is due to DHE on September 10, 2007, and will cover FY 06-07 (July 1, 2006 through June 30, 2007). DHE will send the updated report forms to institutions by June 30, 2007; contact DHE at (303) 866-2723 for a copy of the updated form if you do not

receive it. DHE compiles the SB 01-209 data into a report which is sent to the CDC by December 1 each year.

DHE BUDGET DOCUMENT REVIEW

The following outlines what DHE staff examines in its review of budget documents as well as information on how the forms should be completed. Budget documents should be as complete as possible when submitted to DHE to avoid further inquiries from DHE, CDC and OSPB. Incomplete forms can cause delays in the review process and hinder the ability of DHE and CDC to approve project requests.

Budget Documents

General

The capital construction budget requests (CC-C and CC-IT forms) are the primary project request forms for all higher education individual projects, while the five-year capital construction plan (CC-P form) shows the relationship of the individual projects to past, current, and projected projects from the same institution and governing board. **DHE must review all budget documents from state-supported higher education institutions before referral to CDC, OSPB and the JBC. All additions, deletions, or changes must be submitted to DHE who then reviews and, upon approval, submits these changes to the CDC, OSPB and the JBC.**

An individual project is one that can stand alone and may not necessarily require additional appropriations to complete. An individual project may also be a stand alone project that will require phased appropriations for professional services, construction and equipment. 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. In this case CC-C forms should be submitted in each year the project requests an appropriation. Also, 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. In this case, a CC-C form and program plan could be completed for each phase. For 202 and Cash Funded projects, institutions should request total project funding in year one if they are confident of meeting the six-month, one-year and three-year accounting requirements.

For capital renewal projects, no CC-C forms are necessary. Instead, the CM-03 forms (obtained from the Office of the State Architect) and required accompanying documentation double as both budget forms and program plans.

Capital Construction Budget Requests (CC-C, CC-IT)

The CC-C forms are for new buildings, building expansions or renovations, or related capital projects; the CC-IT forms are for information technology projects that meet the criteria for capital construction set out in Appendix B. DHE checks the forms for conformance with the program plans (program plans either submitted for FY08-09, if new, or with approved program plans if continuation projects). DHE staff ensures budget documents are submitted for each year that an appropriation is sought.

In some cases, both a CC-C and a CC-IT form should be submitted for a project that involves both construction of new spaces or renovations and the purchase of information technology (IT) equipment. If a construction project also includes information technology upgrades with a total cost of \$500,000 or more, the total project cost should be included on the CC-C, but the CC-IT should delineate the types of required IT equipment. The CC-IT in this case would be the detail to the CC-C. If the total cost of information technology equipment is more than \$500,000 and the accompanying building renovations and additions are only a small portion of the total cost, just the CC-IT should be submitted.

The budget documents for continuation projects--those that have received at least one previous appropriation--are checked for conformance with the allowable inflation factor as determined by (1) OSPB and (2) previous DHE actions. (1) For FY08-09 OSPB will consider reasonable inflationary adjustment for capital construction requests. Rather than applying a single factor to the bottom line, for all projects statewide, institutions of higher education will be allowed to provide their own inflationary factors at the line item level of the CC-C form. All inflation factors must be documented explicitly and justified thoroughly in a separate memorandum to the OSPB. In order to ensure consistency across projects, all factors will be subject to review and change by the OSPB in consultation with the Office of the State Architect and DHE. (2) If DHE approved a project for architectural and engineering funds only, for example, funding beyond the architectural and engineering stage should be footnoted on the budget request forms as requiring additional DHE approval. If an institution's cost estimate for a continuation project has changed since the previous year, the institution should update the CC-C and support information forms to reflect the new numbers and submit a memo detailing the reasons for the increase in cost.

DHE will review all budget estimates for appropriateness with industry standards and trends. If a project contains particularly high costs in a given area such as equipment costs, those costs should be listed and justified in a program plan.

Five-Year Capital Construction Program (CC-P)/ Governing Board Priority Statements

Each institution must submit a CC-P form if it anticipates beginning *any* capital construction project, regardless of funding source, through FY12-13. The form is to alert DHE 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-P form should match those on CC-C forms for individual projects. All projects with any portion of funding shown as state capital construction funds must indicate a governing board priority number on the CC-P.

Along with the CC-P form, each governing board should submit to DHE a statement about the relative order of importance of projects proposed for FY 08-09, 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.

Supplemental Appropriations (CC-B)

Institutions submit CC-B forms to adjust previous year(s) appropriations or to use funds realized in a prior fiscal year. In rare cases, supplemental appropriations can be used to make funds available when the General Assembly is not in session. The CC-B forms are checked to determine their necessity. A requested increase in state funds must come out of other state-funded projects an institution has in progress. If an institution intends to use cash funds, it must indicate on the form that the additional funds are on hand. Requesting a time extension for spending or encumbering state funds (CCFE) or cash spending authority is also considered a supplemental appropriation and requires that the institution complete a CC-B form along with a written explanation of: 1) Why the extension is needed; 2) What dollar amount the project has already encumbered; 3) What dollar amount has been expended on the project; 4) How long will an extension be required for; 5) What elements of the project have been completed; and 6) What needs to be done in order to complete the project.

Governing Board Annual Fiscal Reports on Cash-Funded Projects

The governing boards of institutions that have cash-funded minor (those costing \$15,000-\$500,000) and major (those costing more than \$500,000) projects **should annually submit to DHE a Cash-Funded Projects Capital Construction Budget Addendum that discloses the source and use of funds for each major cash-funded capital construction project.** The governing board also should submit to DHE a report that indicates the cumulative impact of all cash-funded minor and major capital projects for the fiscal years affected. DHE reviews these reports to determine if the cash-funded projects proposed for FY08-09 are fiscally prudent, will not endanger cash reserves, and will not – by themselves – lead to higher General Fund support or student tuition increases.

CAPITAL CONSTRUCTION BUDGET FORM INSTRUCTIONS

CC-C and CC-IT: Capital Construction Project Requests FY 2008-2009

The CC-C forms are for new construction, building renovations and additions, and related capital projects; the CC-IT forms are intended for largely information technology projects that may have a small portion for renovations or additions related to information technology. Both the CC-C and CC-IT forms consist of two parts: a project cost and approval sheet, and support information. The project cost and approval sheet is a spreadsheet showing the project phasing, source of funds, and the amounts that will be spent in each major category. The support information gives institutions a way to describe the project and project costs in a more concise format than the program plans. The CC-C and CC-IT forms are the primary documents that OSPB and the General Assembly use for evaluating projects.

The forms should be submitted via email to; Andrew.carlson@cche.state.co.us, the required one printed copy should be sent by mail to DHE Capital Assets, 1380 Lawrence Street, Suite 1200, Denver, Colorado 80204-2059 Attn: Andy Carlson. The CC-C and CC-IT project cost and approval sheets differ; instructions for completing both follow. Because the support information for both the CC-C and CC-IT forms is the same, instructions for completing the support information forms are combined for both.

CC-C: Project Costs and Approval Cover Sheet Instructions

- **General:** The boxes at the top of the sheet should be completed where applicable.
- **Project Title** is the name of the project that must be used throughout on all documents submitted to CCHE and the Office of the State Architect.
- **Phase** is used to describe which appropriation is being sought, and should be written in this manner, for example: “1 of 3.”
- For **Institution**, use the pull-down box to get the name of your institution.
- **Program** is the department(s) or function(s) primarily benefiting from the project (i.e., Student Housing, Science Department, Campus Wide).
- **Priority Number** is the institution’s ranking of a state-funded project, and should be written to indicate how many projects the institution is prioritizing (i.e., 2 of 5).
- **State Controller Project No.** is the number assigned by the State Controller’s office if the project has already received at least one appropriation.
- **Purpose Code** is the purpose code from Appendix C of this manual that best describes the project in the judgment of the institution.
- **Strategic Plan Objective(s)** is an objective that the project will help meet, if applicable.
- **Department Approval By** is for the name and date of approval of the institution’s president.
- **CCHE Approval** is for the date CCHE approved a continuation project.
- **Risk Mgt. I.D.** is the building risk management number the state has assigned if the project involves an existing building; contact DHE for the number if you don’t have it.
- **Name of Preparer** is the name of the person preparing the form; include the email address.

The rest of the form should be completed as described below.

This cover sheet shall include all costs associated with all phases of the capital construction project. If the project will require additional funds to complete in subsequent years, list those funds required for the following five years.

- A. Land Acquisition.** If this project will include a cost to acquire land, enter the amount here.

- B. Professional Services.** Enter the total requested, all prior appropriations, and amount requested for each applicable year for all items. Do not include an amount under “Prior Appropriation” unless it appeared in a previous Long Bill or separate appropriation bill.
- B-1. **Master Plan/PP.** Circle or boldface either “master” or “PP” (for program plan) to indicate the correct plan. Include total cost requested to complete plan.
- B-2. **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.
- B-3. **Architectural/Engineering/Basic Services.** Identify all fees for the design of the building. These include architectural design, structural engineering, mechanical engineering, and all special consultants such as fire protection, acoustics, information technology, etc.
- B-4. **Code Review/Inspection.** Include the cost for an independent third-party review for compliance with the building codes as required by the Department of Personnel/GSS per Section 24-30-1303(1)(r), C.R.S.
- B-5. **Construction Management.** If applicable, include the construction manager fee. Note that only paid, outside consultants are allowed. No departmental FTE can be paid through capital construction.
- B-6. **Advertisements.** Include advertisement costs.
- B-7. **Other (Specify).** Include all additional anticipated professional fees for the project. Specify fees associated with the new High Performance Certification Program. Specify the type of fee or fees. Please note that tap fees are not professional service fees.
- B-8. **Total Professional Services.** Enter total of items B-1 through B-7. If this amount exceeds 10 percent of line C-4, “Total Construction Cost,” for a new facility or 15 percent for a renovated facility, attach a written explanation to justify higher costs than generally allowed.
- C. Construction.** This section displays the total amount of money requested for 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 for July of the year for which the appropriation is requested. Inflation, if needed, is applied in the request year and subsequent years per the inflation factor set by the OSPB.
- C-1. **Infrastructure**

- (a) *Services/Utilities.* The building construction cost (C-1) will include utilities to a point five feet outside the building. The utilities cost should include all other costs associated with getting power, water, gas, telephone lines, sewer, etc., extended from the nearest source to within five feet of the building(s). 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).
 - (b) *Site Improvements.* Include all the excavation and backfill costs to prepare the site and all other work such as clearing, leveling, 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.
- C-2. **Structure/Systems/Components.** Include the estimated cost for the construction of the building(s). The cost should include utilities to a point five feet outside the building line. Provide the gross square footage of the new facility or the gross square footage to be renovated next to "GSF" in the first column on the left. The cost of temporary power, water, etc., during construction provided by the state cannot be included. Include basic pricing in the following categories as they pertain to the specific project:
- (a) *New* (\$_____/GSF)
 - (b) *Renovate* (\$_____/GSF)
- C-3. **Other (Specify).** Include any asbestos remediation and any demolition as line item costs here; specify those and other construction costs.
- C-4. **High Performance Certification Program.** Include all anticipated construction, materials, and equipment costs associated with complying with the High Performance Certification Program. These additional costs must comply with statute, if not, a waiver is required from the Capital Development Committee.
- C-5. **Total Construction Costs.** Add C(1) through C(3) and enter the total here.

D. Equipment and Furnishings.

- D-1. **Equipment.** Enter the cost of the equipment required for the project. This item should include equipment that can be moved and reused even if it is a built-in and would not be included in the general construction contract. Examples 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 line movable partitions, work surfaces, etc., which are part of the offices and workstations. If the total cost of all computer and information technology (IT) equipment and wiring included in D-3 exceeds \$500,000, a CC-IT

form must be completed in addition to including the costs in lines D-1 through D-3. All scientific or instructional equipment costing \$50,000 and having a life expectancy of five years or greater is considered capital construction. **What is Not Acceptable as capital construction? See Capital Construction Definitions listed in Appendix B.**

- D-2. **Furnishings.** The cost of the furniture and other items necessary to complete the project for occupancy should be included here. These items would not normally be a part of the general construction contract. Examples are window coverings, cabinets, wardrobe, desks, chairs, tables, seating, etc.
- D-3 **Communications.** Include the costs associated with telephones and other communications 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. They are part of equipment, included in D-1.
- D-4. **Total Equipment and Furnishings Cost.** Add D-1, D-2, and D-3 and enter the total here. If the "Total Equipment and Furnishings Cost" exceeds 10 percent of Total Construction Cost, attach an itemized list for both "Equipment" and "Furnishings."

E. Miscellaneous

- E-1. **Art in Public Places.** Section 24-80.5-101, C.R.S., requires that "not less than one percent of the capital construction cost" shall be used for the acquisition of works of art when appropriate. This requirement applies to all new construction projects, and all renovation projects of more than \$500,000. **The one-percent requirement does not apply to telecommunications, information technology, or controlled maintenance projects or to projects that are exclusively cash-funded.** Apply the applicable percentage to line C-4 of the project cost sheet. Specify the amount dedicated for this program.
- E-2. **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.
- E-3. **Other (Specify).** Enter all other costs here.
- E-4. **Total Miscellaneous Costs.** Add E-1, E-2, E-3 and E-4 and enter the total here.

Total Project Costs. This is the total estimated cost of the project. Add A-1, B-8, C-4, D-4, and E-5 and enter the total here for each year that appropriations are requested.

- F. Project Contingency.** These lines provide the contingency for the entire project. Each institution should plan for these funds to be reverted upon completion of the project. Contingencies are established for unanticipated project costs. Add B-8, C-4, D-4, and E-5 and multiply the appropriate percentages. Project contingencies for all new construction, equipment purchases, or facility-related planning studies will be 5 percent of the total project cost, excluding land acquisition costs. Contingencies for project renovations will be 10 percent of total project costs, also excluding land acquisition costs. Projects involving both renovation and new construction must indicate how the contingency was calculated. Institutions deviating from these percentages must justify the request in writing to the OSPB and DHE before submitting for funding consideration. Appropriate use of project contingency funds is outlined in the Office of the State Architect'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.
- G. Total Budget Request.** Add items A-1, B-8, C-4, D-4, E-5, and F-1 and enter the total here.
- H. Source of Funds.**
- **"CCFE" is Capital Construction Funds Exempt.** These monies would include funds transferred into the Capital Construction Fund, which is designated as a reserve fund in Section 24-75-302 (1) (a). Expenditures from the Capital Construction Fund are outside the spending limits of Article X, Section 20 of the Colorado Constitution (the TABOR amendment).
 - **"CF" is Cash Funds.** This source of funding consists of revenues that come primarily from fees, tuition, and other earmarked funds.
 - **"CFE" is Cash Funds Exempt.** Cash Funds Exempt are those funds derived from grants, donations, damage awards, transfers of funds from other state departments, revenues from designated enterprise functions (student housing and dining, bookstore, student union, etc.), and from sales of university-owned property (where specific provisions exist to not require the funds to revert to the General Fund).
 - **"FF" is Federal Funds.** 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.

CC-IT: Project Costs and Approval Cover Sheet Instructions

- **General:** The boxes at the top of the sheet should be completed where applicable.
- **Project Title** is the name of the project that must be used throughout on all documents submitted to DHE and the Office of the State Architect.

- **Phase** is used to describe which appropriation is being sought, and should be written in this manner, for example: “1 of 3.”
- For **Institution**, use the pull-down box to get the name of your institution.
- **Program** is the department(s) or function(s) primarily benefiting from the project (i.e., Student Housing, Science Department, Campus Wide).
- **Priority Number** is the institution’s ranking of a state-funded project, and should be written to indicate how many projects the institution is prioritizing (i.e., 2 of 5).
- **State Controller Project No.** is the number assigned by the State Controller’s office if the project has already received at least one appropriation.
- **Purpose Code** is the purpose code from Appendix D of this manual that best describes the project in the judgment of the institution.
- **Strategic Plan Objective(s)** is an objective that the project will help meet, if applicable.
- **Department Approval By** is for the date of approval of the project and name of the institution’s president.
- **CCHE Approval** is for the date CCHE approved a continuation project.
- **Risk Mgt. I.D.** is the building risk management number the state has assigned if the project involves an existing building; contact DHE for the number if you don’t have it.
- **Name of Preparer** is the name of the person preparing the form; include the email address.

The rest of the form is completed as described below.

This cover sheet shall include all costs associated with all phases of the information technology project. If the project will require additional funds to complete in subsequent years, list those funds required for the following five years. The following rows of this section are explained in more detail as follows:

- A. Land Acquisition.** If this project will include a cost to acquire or lease land, enter the amount here.
- B. Contract Professional Services.** Enter the total requested, all prior-year appropriations, and amount requested for each applicable year for all items. Do not include an amount under “Prior Appropriation” unless it appeared in a previous Long Bill.
 - B-1. Consultants/Contractors.** Enter consultant and/or contractor costs for project development (i.e., consultant/contractor costs not included in other professional service categories).

- B-2. **Quality Assurance.** Identify all consultant fees for the quality assurance portion of this project.
 - B-3. **Independent Verification and Validation.** This is intended as a third-party review performed by the Governor's Office of Innovation and Technology. **IT DOES NOT APPLY TO HIGHER EDUCATION.**
 - B-4. **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. Training cannot pay for state FTE.
 - B-5. **Leased Space (Temporary).** If applicable, include costs associated with leasing space for consultants working on the project.
 - B-6. **Feasibility Study.** This is for preparing a feasibility study per the Office of Innovation and Technology criteria. **IT DOES NOT APPLY TO HIGHER EDUCATION.**
 - B-7. **Other Services/Costs.** List and describe any other cost related to this project.
 - B-8. **Total Professional Services Cost.** Enter the sum of items B-1 through B-7.
- C. 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.
- C-1. **New (GSF).** Include the estimated cost for the construction of the building. The cost should include utilities to a point five feet outside the building line. Provide the gross square footage of the new facility in the far left column. Include any hazardous substance remediation or any demolition costs here. The cost of temporary power, water, etc., during construction provided by the state cannot be included. Include the basic pricing on the next line in the far left column.
(a). New (\$ /GSF)
 - C-2. **Renovate/Connection Costs (GSF).** Include the estimated cost for renovation of an existing building. The cost should include infrastructure connections. Provide the gross square footage to be renovated with this item. Include any asbestos remediation and/or any demolition costs here. The cost of temporary power, water, etc., during construction provided by the state cannot be included. Include the basic pricing on the next line in the far left column.
(a). Renovate (\$ /GSF)
 - C-3. **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.

C-4. **Total Construction Costs.** Add C-1 through C-3 and enter the total here.

D. Software Acquisition.

D-1. **Software COTS.** Include the cost of commercial of-the-shelf software needed to implement the project.

D-2. **Software Built.** Include the costs associated with developing new custom software. This should be separate from general professional service fees.

D-3. **Total Software Cost.** Add D-1 and D-2 and enter the total here.

E. Equipment

E-1. **Servers.** Enter the cost of all servers.

E-2. **PCs, Laptops, Terminals, PDAs.** The cost of new personal computers, laptops, terminals, and personal digital assistants (PDAs) should be included here. Identify the costs of those items that are required for the implementation of the new technology system.

E-3. **Printers, Scanners, Peripherals.** Include the costs associated with printers, scanners, and peripherals related to the implementation of the new technology system.

E-4. **Network Equipment/Cabling.** Include costs associated with network equipment.

E-5. **Other (Specify).** Specify costs associated with other equipment.

E-6. **Total Equipment Cost.** Add E-1 through E-5 and enter the total here.

F. Miscellaneous

F-1. **Total Miscellaneous Costs.** Specify other costs not included elsewhere and enter the total here.

Total Project Cost. This is the total estimated cost of the project. Add A-1, B-8, C-4, D-3, E-6 and F-1 and enter total here.

G. Project Contingency. These lines provide the contingency for the entire project. Each institution should plan for these funds to be reverted upon completion of the project. The project contingencies are for *unexpected* costs that occur during project implementation, and therefore property acquisitions are not considered in the contingency calculation. Add B-8, C-4, D-3, E-6, and F-1 and multiply the appropriate percentages explained below. Project contingencies for all *new*

construction, equipment purchases, or information technology-related planning studies will be 5 percent of the total project cost. Contingencies for project *renovations* will be 10 percent of total project costs. Institutions deviating from these percentages must justify the request in writing to the OSPB and DHE before submittal for funding consideration.

H. Total Budget Request. Add items A-1, B-8, C-4, D-3, E-6, F-1, and G-3 and enter the total here.

I. Source of Funds.

- **"CCFE" is Capital Construction Funds Exempt.** These monies are funds transferred into the Capital Construction Fund, designated as a reserve fund in Section 24-75-302 (1) (a). Expenditures from the Capital Construction Fund are outside the spending limits of Article X, Section 20 of the Colorado Constitution (the TABOR amendment).
- **"CF" is Cash Funds.** This source of funding consists of revenues that come primarily from fees, tuition, and other earmarked funds collected by state departments.
- **"CFE" is Cash Funds Exempt.** Cash Funds Exempt are those funds derived from grants, donations, damage awards, transfers of funds from other state departments, revenues from designated enterprise functions (student housing and dining, bookstore, student union, etc.), and from sales of university-owned property (where specific provisions exist to not require the funds to revert to the General Fund).
- **"FF" is Federal Funds.** Any funds received directly from the federal government; includes categorical grants or block grants not necessarily available for uses outside of those specified in the grant award.

CC-C and CC-IT: Support Information Instructions

Both the CC-C and CC-IT Support Information forms are the same.

- **General Information.** All applicable items in the header should be filled out.
 - **Project Name** should be the same as the project title on the CC-C project cost and approval sheet.
 - **Phase** is the phase of appropriation, with an indication of how many more to complete the project (i.e., 1 of 3).
 - **State Controller Project No. P** is the number assigned by the State Controller's Office for a project that has already received at least one appropriation.
- 1. Project Description/History.** Explain in detail the project for which funding is being requested. Include all pertinent project background or history. Please be thorough and comprehensive as this section provides the basis for the request.

This section should answer the “who,” “what,” “where,” “how,” and “why.”

- (a) List key objectives of proposed project: The objectives should relate to programmatic needs. At project completion the institution will confirm attainment of the objectives with the submittal of the final SC 4.1 form.

2. Estimated Project Timetable. Self-explanatory.

- (a) *Phasing Justification:* If there is any unusual phasing, such as completing several phases in one year, explain here.
- (b) *(Only for Continuation Projects) Expenditure Information.* If the project is a continuation project, fill in the information required regarding expenditures and completion of phases.

3. Project/Program Justification.

- (a) *Justification Related to Programs and Classifications served by Request.* Explain in detail the deficiencies inherent in the current facility. Be sure to include how the facility deficiencies affect current operations and how future operations will be improved as a result of the new facility. This section should answer why there is a need for a new or renovated facility. Indicate the program(s) housed in the facility for which funding is being requested using the program service population table provided. Use the table to indicate the service population related to this specific facility. The service population could pertain to numbers of students in the institution or department(s), the numbers of faculty and staff, or other populations that necessitate the need for, or will be affected by, expanded or renovated facilities and equipment. Be sure to explain in detail how the service population relates to the specific programs housed in this facility. The justification must correspond to the assigned purpose code.
- (b) *Purpose Code Justification.* Explain the way in which the purpose code applies to the project. If the project has been labeled as a deficiency, describe the deficiency and its requirement. If other codes apply, please explain. See Appendix C for a complete list of codes.
- (c) *Project Alternatives.* Describe the construction and/or non-construction options considered that could alleviate the problem that prompted this request. It is important that all alternatives be considered. Describe, where possible, the costs in terms of facility, equipment, or staff, for each alternative not chosen. This description should reflect the input of the operating budget staff. Explain the impact of not funding this request.

4. Project Association to Other Capital Improvement Projects. Identify any capital improvement or controlled maintenance projects that relate to this project from prior appropriations, concurrent requests, or future requests; include any capital equipment or information technology.

5. Comparison with prior request made in prior fiscal year (only for continuation

requests)

- (a) *Comparison with Prior Request.* If this project has been requested before, indicate the amount of that request. If there is a difference because of a change in scope or due to inflation, explain the change. Any cost increases beyond the inflationary allowance must be accompanied by a detailed explanation and documentation, as discussed above. The OSPB reserves the right to change cost estimates when not supported by documentation.
- (b) *Explanation of Differences.* Explain the reasons for the differences between the prior request and this one.

6. Project Operating Impact. Describe in detail the project impact on the operating budget, both during construction and after completion. Note any additional FTE and operating costs associated with its construction and operation. Describe the long-term impact in terms of any additional funds that will be required or any savings that will be realized. A detailed listing of operating expenses related to the project is required.

- (a) *Operating Cost Table.* The purpose of this table is to identify the impact of this project on the operating budget. Show the operating costs by category as delineated on the form. In addition, all revenues and their sources (specify the name of cash and cash exempt sources) available to cover these costs should be shown as delineated on the form. The costs must total the revenues. Since the start of operation may not coincide with a fiscal year, the cost of the first year may be a partial year. Provide the estimated costs and revenues for the next five fiscal years in the same fashion.
- (b) *Operating Cost Assumptions.* Indicate how the estimated costs were derived. Please attach a copy of the related operating decision item or base reduction item and specify the name of the OSPB operating budget analyst who has received a copy of the documentation for the operating request.
- (c) *OSPB Budget Analyst.* Indicate the name of the OSPB operating budget analyst who has received a copy of the schedule 6 to cover the operating expenses denominated in table 12(a).
- (d) *High Performance Certification Program Requirements.* The purpose of this section is to describe how the project will meet the requirements of the High Performance Certification Program as per Office of the State Architect Policy.

7. Project Funding. The purpose of this part of the form is to identify the capital fund source proposed for the project. Project requests that propose funding by program revenues (cash or federal funds) must disclose the source of revenue and demonstrate a sufficient cash flow to accommodate obligations required of the fund. Historical as well as projected revenues must be listed. The following

information must be provided for each fund source: one year of actual revenue, one year of estimated revenue, revenue for the request year, and three years of projected revenue. Project requests that use borrowed funds and repay the loan from cash, federal, or other funds are considered debt-financed. For debt-financed projects, the information required includes the loan amount and the payment schedule. All sources of the funds used to service the debt are to be provided. The loan amount must equal the sum of payments in the payment schedule.

- 8. Controlled Maintenance and Capital Construction Record.** List previous capital construction and controlled maintenance projects associated with this facility within the last five years. Indicate the year, the project, and the cost to complete the controlled maintenance projects. Indicate the projected five-year expected cost of controlled maintenance after completion of the capital construction project. Indicate the project name, number and cost of all capital construction projects associated with this facility in the last five-year period. The estimated current value can be obtained from the Department of General Support Services, Office of the State Architect.

- 9. Space Requirements Table.** This table applies to building construction and renovation. Information technology projects with a building construction component must provide this information. The purpose of this table is to compare the current assignable square footage (ASF) per client or FTE, versus the ASF needed by the facility master plan.
 - *Type of Space.* Indicate the type of space to be eliminated and constructed or renovated. Include all space types to be affected by construction (e.g., library, office, computer pool, etc.).
 - *Existing Assignable Square Footage (ASF).* Indicate the applicable ASF for the existing facility. Assignable square footage is space occupied by program operations. It does not include corridors, restrooms, atrium space, etc.
 - *ASF needed per Master Plan.* Indicate the ASF assumed by the facility master plan. This should correlate with number of clients and/or FTE currently served by the existing space and the number of clients and/or FTE to be served. Assume the maximum limit for the proposed facility.
 - *Surplus/(Deficit).* Subtract the existing ASF from the ASF needed per the Master Plan. This figure should provide an indication of the extent of the space deficiency currently existing.
 - *Impact of this Project.* Indicate the ASF that is proposed by the requested project.
 - *Revised Surplus/(Deficit).* Add the exiting ASF and the ASF requested by the project and subtract this total from the ASF needed under the master plan.

- *% Surplus Deficit.* Divide the revised surplus/(deficit) by the ASF needed under the master plan.
- *Project Gross Square Footage (GSF).* Indicate the square footage as measured from the interior surface of the exterior walls.

- 10. Required Project Request Compliance.** For the CC-C form, provide the name of the Facility Program Plan, Facility Master Plan, and Strategic Plan, if applicable, and date of the update. Also, provide the name of the person authorized to approve each document.

For the CC-IT form, provide the name of the Information Technology Plan submitted to CCHE. Provide the name of the person authorized to approve each document.

- 11. Six-Month Rule Compliance.** The capital construction six-month rule applies to the amount of time that a department has to encumber money for a project. If a project contains contracts for professional services, only the amount of the professional service contracts need be encumbered by the end of six months. If the project does not include contracts for professional services, the entire project amount should be encumbered within the six-month period. If compliance with the rule is not feasible, the State Controller's Office and the CDC have approved a Memorandum of Understanding by which the department or institution may propose an amount less than the full appropriation. The department or institution must provide a written narrative justifying the percentage amount to be encumbered. On the CC-C or CC-IT forms, enter the amount and percentage encumbered within the six-month period and provide justification as necessary.

CC-P: Five-Year Capital Construction Program FY 2008/09-FY 2012/13

CC-P forms should be filled out electronically for new projects for the Request Year and later. It is not possible to include the construction appropriation phase (PP—physical planning, C-construction, E-equipment) or other non-numbered material on the electronic form. Copy the electronic version of the form and enter the requested information by hand for the four paper copies. Also, state statute requires institutions to estimate the expected completion date if funding is available for each project. For the paper and electronic copies, include the anticipated completion date after the project title. If more project sections are needed, simply copy the number of required additional ones and paste them in.

1. General. Across the top of the form, include the name, telephone number, and E-Mail address of the person who prepared the CC-P. Use the pull-down box on the electronic form to select the name of the institution. Use the pull-down box on the lower left corner to indicate "yes" or "no" about whether a project is a capital building/infrastructure renewal project.
2. PRELIMINARY submissions should project the institution's schedule of capital construction projects for the five years beyond the Budget Request year.

Governing board amendments to the institution's preliminary schedule should be identified in the FINAL submission. Projected costs are in current dollars. List each project in sequential order of importance.

3. Project. Use the same project name reported on the CC-C or CC-IT forms. Identify the facility and the institutional program that will occupy the facility upon completion of the project. If it's a project that benefits the entire campus, write "Campus Wide." Estimate the amount of Gross Square Feet (GSF) of space involved in the future project.
4. Total Project Cost: Enter the total project cost by summing up the prior appropriations and all future costs by funding source thus:

Capital Construction Funds Exempt	CCFE	\$000
Cash Funds	CF	\$000
Cash Funds Exempt	CFE	\$000
Federal Funds	FF	<u>\$000</u>
TOTAL FUNDS	TF	\$000

5. Prior Appropriation. Enter all previous appropriations in the same format as on the CC-C and CC-IT forms.
6. Fiscal Year Request. Enter anticipated future requests in the same format as in CC-C Form.
7. Capital Construction Appropriation Phase. Designate the appropriation phases in each year's estimated project cost.

PP = Physical Planning, which includes architectural and engineering design;

C = Construction, which funds actual construction;

E = Movable Equipment, which equips the completed project for occupancy and use.

8. Append a Five-Year Capital Improvement Program Priority Statement. The priority statement should explain, in relation to the Institutional Master Plan, the institution's or governing board's judgment of the relative programmatic importance among the facilities projected for the ensuing five-year period. The statement should also explain the multi-year scheduling of any Phased Construction Projects.

CC-B: Supplemental Capital Construction Request FY 06-07

The purpose of a supplemental capital construction 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 can be used to make funds available earlier when the General Assembly is not in session. These supplemental capital construction

requests, regardless of funding source, are limited to emergency situations. Include a map showing the location and building name or number related to this supplemental request. Agencies shall forward one electronic copy to DHE and three copies to OSPB of CC-B, Supplemental Capital Construction Request for each project.

Criteria:

In addition to checking the appropriate box, provide an explanation of why you believe the request meets one or more of the following criteria:

- An emergency (includes SB92-202 projects ready to go in the interim between legislative sessions);
- A technical error which has a substantive effect on the operation of the program;
- New data resulting in substantial changes in funding needs; and
- An unforeseen contingency such as an underestimated bid package.

Justification of Changes from Approved Funding. Explain in detail the history of events that led to this request. Include a justification of the revised request.

Why is it Necessary to have the Appropriation Prior to Long Bill Appropriation? Explain the situation that requires an appropriation before the approval of the Long Bill. Long Bill appropriations are usually available the first few weeks of May, at the end of the 120-day session. Supplemental appropriations are available upon the Governor's signature.

Does this Request Require Revising a Prior Appropriation? Any adjustment to a previous appropriation requires a supplemental request unless it is the next phase of a project that has been previously appropriated. A supplemental request for capital construction funds from a previous year requires taking funds available for the budget year and must therefore be of higher priority than any other project. Any adjustments to the total project cost will also require an adjustment to the Art in Public Places calculation.

Explain Why and How the Revision is Made. Copy the line item requiring revision in the Long Bill in its original form and then show how it should be revised. Be certain to include the Long Bill page number and any other pertinent information.

Attach a Copy of Form CC-C or/and Form CC-IT of the Original Request. Include the entire original CC-C or CC-IT forms. Be sure to specify "Original" at the top in bold letters.

Attach a New Completed Form CC-C or/and CC-IT, Page 1, "Project Cost and Approval Sheet" ONLY. Include a "Project Cost and Approval Sheet" from Form CC-C or Form CC-IT, which reflects the requested supplemental changes. Be sure to specify "Supplemental" at the top in bold letters.

Executive Director Signature. Form CC-B requires the approval of the institution's president or chancellor. Forms submitted without a signature will be returned to the institutions.

Emergency Requests. Emergency requests when the General Assembly is not in session are allowed under the provisions of HB98-1331. The HB98-1331 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 standard supplemental process.

For any other expenditure allowed by the provisions of HB98-1331, the controller shall restrict, in an amount equal to said over expenditure, an item or items of appropriation for the fiscal year following the fiscal year for which the over expenditure is allowed. Specify the appropriation to be restricted including: Long Bill number and page, the amount of the original appropriation, and the expenditures to date.

An emergency supplemental request requires the same documentation as a regular supplemental request (i.e., a CC-B form with addenda). Emergency supplemental requests should not be prioritized when submitted through the H.B. 98-1331 process. However, emergency supplemental requests should be included in priority order as part of the regular supplemental submission. If the amount of the emergency supplemental has changed for the regular supplemental submission, a revised supplemental should be submitted, rather than a new incremental supplemental.

To allow for adequate review, emergency supplemental requests should be submitted at the earliest opportunity; four weeks before the CDC meeting to vote on the requests is preferred.

Appendix A:

CCHE Statutory Authority for Capital Construction

Most of DHE'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, DHE policies, or elsewhere. The statute states:

(1) It is declared to be the policy of the general assembly not to authorize or to acquire sites or initiate any program or activity requiring capital construction for state-supported institutions of higher education unless approved by the commission. (*See sections in this manual on capital project reviews.*)

(2) The commission shall, after consultation with the appropriate governing boards of the state-supported institutions of higher education and the appropriate state administrative agencies, have authority to prescribe uniform policies, procedures, and standards of space utilization for the development and approval of capital construction programs by institutions. (*See DHE Policy Section III, Part F – Space Utilization Guidelines*).

(3) The commission shall review and approve master planning and program planning for all capital construction projects of institutions of higher education on state-owned or state-controlled land, regardless of the source of funds, and no capital construction shall commence except in accordance with an approved master plan, program plan, and physical plan. (*See sections in this manual on capital construction project reviews; also DHE Policy III, Part D - Guidelines for Long- Range Facilities/Infrastructure Planning Guidelines.*)

(4) The commission shall ensure conformity of facilities master planning with approved educational master plans and facility program plans with approved facilities master plans. (*See sections in this manual on capital construction project reviews.*)

(5)(a) The commission shall approve plans for any capital construction project at any institution, including a community college, regardless of the source of funds; except that the commission need not approve plans for any capital construction project at a local district college or area vocational school or for any capital construction project described in subsection (9) or (10) of this section. (***See sections in this manual on capital construction project reviews and on SB 01-209 projects.***)

(b) The commission may except from the requirements for program and physical planning any project that shall require less than five hundred thousand dollars of state moneys. (*See section in this manual on program plan waivers.*)

(6) The commission shall request, annually, from the governing board a five-year projection of capital development projects. Such projection shall 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 role and mission and master planning of the institution and conforms to standards recommended by the commission. (See *instructions for the Five-Year Capital Construction Plan in this manual.*)

(7)(a) The commission annually shall establish a unified five-year capital improvements program coordinated with education plans and shall transmit to the office of state planning and budgeting, the governor, and the general assembly, consistent with the executive budget timetable, a recommended priority of funding of capital construction projects for the system of public higher education. The commission shall annually transmit the recommended priority of funding of capital construction projects to the capital development committee no later than November 1 of each year. (See *section in this manual on DHE prioritization of state-funded projects.*)

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

(8) Any acquisition or utilization of real property by a state-supported institution of higher education which is conditional upon or requires expenditures of state-controlled funds or federal funds shall be subject to the approval of the commission, whether acquisition is by lease, lease-purchase, purchase, gift, or otherwise. (See *capital construction definition section in this manual. If contemplating submitting a new or renewed lease, contact Priscilla Gonzales of the DHE staff, Priscilla.Gonzales@cche.state.co.us, for an electronic copy of the latest lease application form or get a copy of the most current lease application form from the DHE website: <http://www.state.co.us/cche/policies/capitalassets/index.html>.*)

(9)(a) The commission shall review and approve any plan for a capital construction project that is estimated to require total expenditures exceeding **one million dollars** and that is to be constructed, operated, and maintained solely from student fees, auxiliary facility funds, wholly endowed gifts and bequests, research building revolving funds, or a combination of such sources, as provided in sections 23-5-102, 23-5-103, 23-5-112, 23-20-124, 23-31-129, and 23-41-117 and section 24-75-303 (3), C.R.S. Any such plan for a capital construction project that is estimated to require total expenditures of one million dollars or less shall not be subject to review or approval by the commission. (**See sections in this manual on SB 01-209 projects and review of SB92-202 projects.**)

(b) Upon approval of a plan for a capital construction project pursuant to paragraph (a) of this subsection (9), the commission shall submit such plan to the capital development committee. The capital development committee shall make a recommendation regarding the project to the joint budget committee. Following receipt of the recommendation, the joint budget committee shall refer its recommendation regarding the project, with written comments, to the commission. (See *section in this manual on SB92-202 reviews.*)

(c) The commission, the capital development committee, and the joint budget committee shall by agreement adopt procedures governing the capital development committee and joint budget committee review of projects subject to this subsection (9), which agreement shall provide that, whenever possible, the capital development committee shall submit recommendations to the joint budget committee and the joint budget committee shall submit recommendations to the commission within thirty days after each committee receives the information prescribed in the agreement as necessary for its review. *(See section in this manual on SB92-202 reviews.)*

(10) The commission shall review and approve any plan for a capital construction project that is estimated to require total expenditures exceeding **five hundred thousand dollars** and that is to be constructed solely from cash funds held by the institution other than those funds specified in paragraph (a) of subsection (9) of this section and operated and maintained from such cash funds or from state moneys appropriated for such purpose, or both. Any plan for any such capital construction project that is estimated to require total expenditures of five hundred thousand dollars or less shall not be subject to review or approval by the commission. ***(See sections in this manual on cash-funded and SB92-202 project reviews and SB01-209 projects.)***

(11) Each institution 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 was not subject to review by the commission pursuant to subsections (9) and (10) of this section. The commission shall submit a compilation of such projects to the capital development committee on or before December 1 of each year. *(See section in this manual on SB01-209 projects.)*

Appendix B:

Capital Construction and Controlled Maintenance Definitions

A project qualifies for DHE 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. Also below are definitions of capital outlays (operating budget) or controlled maintenance (Office of the State Architect).

Capital construction includes:

- Purchase of land, *regardless of value*.
- Purchase, construction, or demolition of buildings or other physical facilities, including utilities, or remodeling or renovation of existing buildings or other physical facilities to make physical changes 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 (landscaping, upgraded utilities, signage etc.)
- Purchase or installation of the fixed and moveable equipment necessary for the operation of new, remodeled, or renovated buildings and other physical facilities and for the conduct of programs initially housed therein upon completion of the new construction, renovation or remodeling.
- Purchase of 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 projects.
- Any item of instructional or scientific equipment if the cost exceeds \$50,000.
- Information technology if the cost exceeds \$500,000. (See section on information technology on the next page for a list of institutions that may request state funding for information technology projects that total less than \$500,000.)
- Preliminary planning including initial review of proposed projects for the following:
 - Conformity with long-range development plans;
 - Technical and economic feasibility of the project;
 - Preparation of outline plans and specifications;
 - Preparation of preliminary cost estimates.

Capital construction projects are classified as **major** (total cost is more than \$500,000) or **minor** (total project cost is above capital outlay limits but \$500,000 or less).

The following expenses **CANNOT** be included in capital construction budget requests; specific questions about what is acceptable as capital construction should be directed to the OSPB for clarification:

- 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.

Information technology projects CAN be funded as capital construction projects if they meet the following criteria:

- They total \$500,000 or more in the request year and the majority of the components has a useful life of at least five years.
- 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).
- Contract personal services and other non-capital items requested as capital construction are integral components of a request.

Based on a Memorandum of Understanding among the legislative JBC, CDC, and the OSPB, information technology projects costing LESS THAN \$500,000 may be applied for and funded as capital construction for the following institutions and entities:

- Community College of Aurora
- Lamar Community College
- Morgan Community College
- Northeastern Junior College
- Pueblo Community College
- Otero Community College

- Trinidad State Junior College
- Adams State College
- Western State College
- Colorado Historical Society
- Division of Private Occupational Schools

Public higher education institutions may request a waiver from the capital construction criteria for the information technology request minimums through a written request to CCHE. If the waiver is granted, a program plan must be submitted to CCHE. These requests should be made only for projects of \$50,000 or more.

Capital Outlay - Items regarded as Operating Expenses

Capital outlay includes:

- 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 \$15,000.
- New structures, meaning the construction of new buildings where the cost will be less than \$15,000, 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 fifteen thousand dollars.
- "Capital Outlay" does not include those things defined as capital construction by section C.R.S. 24-75-301.

Controlled Maintenance

Controlled maintenance includes:

- Projects more than \$15,000, corrective repairs, code compliance, energy conservation, or replacement used for existing state-owned, general-funded buildings.

- Other physical facilities, including, but not limited to, utilities and site improvements, which are suitable for the retention and use for at least five years.
- Replacement and repair of the fixed equipment necessary for the operation of such utilities, when such work is not funded in an agency's operating budget to be accomplished by the agency's physical plant staff.

Controlled maintenance does not include:

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

Care should be given to consider the ratio of repairs and/or replacement costs to the overall building value. In general, if the ratio of repair costs to the building's replacement value is less than 75 percent, and the useful life of the system involved can be reasonably extended, then consideration should be given to repair or replace the systems involved. Furthermore, if the ratio involved approaches or exceeds 75 percent, then serious consideration should be given to demolition and/or new construction.

Basically, Controlled Maintenance projects arise out of the deterioration of a facility's physical and functional condition and the inability to comply with current codes. These are referred to as "maintenance-driven" requests, as opposed to "program-driven" requests, which would constitute a capital construction project.

Capital construction projects arise out of an agency'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.

Controlled maintenance funding requests should be referred to the State Buildings by September 1. OSPB will review these requests with State Buildings to ensure no duplication of effort has occurred between capital construction and controlled maintenance projects.

Appendix C: Department and Agency Codes

<u>DEPARTMENT</u>	<u>DEPARTMENT CODE</u>	<u>AGENCY CODE</u>
Administration	ADM	ADM
Agriculture	AGR	AGR
Corrections	COR	COR
Education	EDU	EDU
Health	HLT	HLT
Higher Education	HED	HED
CU-Boulder	HED	CUB
CU-Colorado Springs	HED	CUS
CU-Denver	HED	CUD
Health Sciences Center	HED	HSC
Colorado State University	HED	CSU
Fort Lewis College	HED	FLC
University of Southern Colorado	HED	USC
Experiment Station	HED	EXP
Cooperative Extension	HED	CEX
Forest Service	HED	SFS
Veterinary Medicine	HED	VTM
Colorado School of Mines	HED	CSM
University of Northern Colorado	HED	UNC
Adams State College	HED	ASC
Mesa State College	HED	MSC
Western State College	HED	WSC
Arapahoe Community College	HED	ACC
Colorado Northwestern Community College	HED	CNC
Aurora Community College	HED	AUR
Front Range Community College	HED	FRC
Red Rocks Community College	HED	RRC
Lamar Community College	HED	LCC
Morgan Community College	HED	MCC
Northeastern Junior College	HED	NJC
Otero Junior College	HED	OJC
Pikes Peak Community College	HED	PPC
Pueblo Community College	HED	PCC
Trinidad State Junior College	HED	TJC
Auraria Higher Education Center	HED	AHC
Historical Society	HED	HST
Human Services	DHS	DHS
Judicial	JUD	JUD
Labor and Employment	LAB	LAB
Local Affairs	LOC	LOC
Military Affairs	MIL	MIL
Natural Resources	NAT	NAT
Public Safety	DPS	DPS
Regulatory Agencies	REG	REG
Revenue	REV	REV
Transportation	CDOT	CDO

Appendix D

Capital Assets Purpose Codes

Preference will be given to those projects which provide the most efficient use of state resources including but not limited to: innovative solutions to space needs, co-location of programs resulting in space and program efficiencies, and operating cost reductions.

A. State Financial Obligations	(1) Certificates of Participation	(2)Other		
B. Continuation Projects Final Phase	(1) Continuation Projects Final Phase			
C. State Wide Priorities	(1) Statewide High Priorities (determined by OSPB/CCHE)			
D. Controlled Maintenance	(1) Level 1 Life Safety	(2) Level 2 Program Disruptions	(3) Level 3 Deterioration	
E. Continuation Projects	(1) Continuation Projects Not Final Phase	(2) Continuation Projects A&E funding only		
F. New Projects Current Program Needs Solutions to Existing Deficiencies	(1) Statutory Requirements Mandates those projects, which are directed by court order or reduce the state's legal liability.	(2) Renovation/ Replacement of Existing Space/Equipment a. significant cost-savings or cost avoidance b. increased level of service	(3) Facility Infrastructure Improvements (4) Technology Infrastructure Improvements	(5) Construction of New Building or Expanded Space a. significant cost-savings or cost avoidance b. increased level of service
G Immediate Future Program Needs — Solutions to Growing Deficiencies	(1) Mandates those projects, which are directed by court order or reduce the state's legal liability.	(2) Renovation / Replacement of Existing Space / Equipment	(3) Construction of New Building or Expanded Space to Consolidate Programs from Obsolete and Congested Space	(4) Facility Improvements Infrastructure (5) Technology Infrastructure Improvements

Appendix E

COFRS Higher Education Financial Reporting System Program And Fund Codes

HIGHER EDUCATION FEEDER AGENCY COFRS CHART OF ACCOUNTS 11/2002			
AGENCY CODES		FUND CODES	
Department of Higher Education	G	GOVERNMENTAL FUNDS	
Colorado Commission on Higher Education (CCHE)	GAA	General Fund-Unrestricted	100
Colorado Council on the Arts	GBA	Regular Capital Construction	461
Colorado Student Loan Program (CSLP)	GDA	HIGHER EDUCATION FUNDS**	
Private Occupational School Division	GPA	Current Unrestricted – Nonexempt	310
Colorado Student Obligation Bond Authority	GRA	Current Unrestricted - Exempt	311
UNIVERSITY OF COLORADO		Auxiliary Self-Funded Enterprises – Exempt	320
University of Colorado Board of Regents	GFA	Other Auxiliary Fund – Exempt (Optional)	321
University of Colorado – Boulder	GFB	Other Auxiliary Fund – Exempt (Optional)	322
University of Colorado - Colorado Springs	GFC	Other Auxiliary Fund - Exempt	323
University of Colorado – Denver	GFD	Research Building Revolving Fund	324
University of Colorado - Health Sciences Center	GFE	23-31-129 (CSU only)	
COLORADO STATE UNIVERSITY SYSTEM		Other Auxiliary Fund – Exempt	325
CSU System Board of Governors	GGA	Auxiliary Self-Funded Nonenterprise – Exempt (began 7/1/01)	326
Colorado State University	GGB	CPPS Revolving Fund - Exempt	327
University of Southern Colorado	GGJ	Internal Service Funds – Exempt (began 7/1/01)	328
		Auxiliary Self-Funded - Nonexempt	329
STATE COLLEGES IN COLORADO		Current Restricted - Exempt	330
		Current Restricted - Nonexempt	331
Adams State College	GYA*	Children’s Health Plan 26-17-108 (UCHSC only)	332
Mesa State College	GZA*	Fitzsimons Trust Fund (UCHSC only)	333
Western State College	GWA*	Wildlife Emergency Fund (CSU only)	334
		Loan Fund – Exempt	340

HIGHER EDUCATION FEEDER AGENCY COFRS CHART OF ACCOUNTS 11/2002

AGENCY CODES		FUND CODES	
COLORADO COMMUNITY COLLEGES SYSTEM (CCCS)	GJA	Endowment Fund – Exempt	350
Arapahoe Community College	GJB	Plant Fund – Exempt	371
Community College of Aurora	GJC	Plant Fund – Nonexempt	375
Community College of Denver	GJD	HE Agency Fund – Exempt	380
Front Range Community College	GJE	Financial Presentation – Exempt (began 7/1/01)	399
Lamar Community College	GJF		
Lowry HEAT Center	GJP		
Morgan Community College	GJG		
Northeastern Junior College	GJR		
Colorado Northwestern Community College	GJT		
Otero Junior College	GJH		
Pikes Peak Community College	GJJ		
Pueblo Community College	GJK		
Red Rocks Community College	GJL		
Trinidad State Junior College	GJM		
UNIVERSITY OF NORTHERN COLORADO	GKA		
COLORADO SCHOOL OF MINES	GLA		
AURARIA HIGHER EDUCATION CENTER	GMA		
FORT LEWIS COLLEGE	GSA		
METROPOLITAN STATE COLLEGE OF DENVER	GTA		
*Effective 7/01/2004		** The following funds are no longer in use as of 7/1/01: 372, 373, 374, 376, 377	

Appendix F:

Memorandum of Understanding between State Controller's Office and Capital Development Committee Six-Month Rule

Enforcement of CRS 24-30-1404, as revised April 2001

CRS 24-30-1404(7) requires agencies to execute a contract and encumber funds for any professional services, as defined by CRS 24-30-1404(6), related to a capital construction or controlled maintenance project within six months of the date the appropriation becomes law. For projects when no professional service contract is required, a contract for the project must be entered into within this same six-month time frame. This Memorandum of Understanding (MOU) between the State Controller's Office (SCO) and the Capital Development Committee (CDC) defines the process to be used by departments or institutions to comply with the requirements of the statute.

Construction Projects with professional service contracts

These are typically large building projects that require significant up-front design work.

- Compliance with the six-month rule requires all architecture/engineering services contracts or any other significant professional services contracts related to the design of the project, identified in the project plan, be executed and encumbered within the six-month date. The department controller or institution chief financial officer (CFO) and project manager will certify compliance to the SCO.
- or-
- The project plan may contain an amount for professional services, proposed by the department or institution and agreed to by the CDC, to be encumbered by the six-month date that is less than the architectural/engineering services contracts or other significant professional services contracts related to the design of the project, identified in the project plan. The project plan must also include justification for the proposed amount. The CDC will communicate the approved encumbrance amount to the SCO as a waiver recommendation under CRS 24-30-1404(7). The SCO will issue the waiver letter to the department or institution. If the department or institution cannot encumber the CDC-approved amount by the six-month date, it must submit a new waiver request or revert the project funds.

Alternatively, the department or institution that cannot encumber all of the professional services may follow the normal waiver request process when the problem is identified.

Construction Projects without professional services contracts

These are typically maintenance or repair projects, which may be at one location or spread over many locations. However, no professional service contracts are required to be obtained for the project to commence, or professional services are provided from non-capital construction sources.

Compliance with the six-month rule will be met with an encumbrance, by the six-month date, for the total amount of the project, identified in the project plan. The department controller or institution CFO and project manager will certify compliance to the SCO.

-or-

The project plan may contain a project amount, proposed by the department or institution and agreed to by the CDC, to be encumbered by the six-month date that is less than the full amount of the project identified in the project plan. The CDC will communicate the approved encumbrance amount to the SCO as a waiver recommendation under CRS 24-30-1404(7). The SCO will issue the waiver letter to the department or institution. If the department or institution cannot encumber this amount by the six-month date, it must submit a new waiver request or revert the project funds.

Non-Construction Projects – IT or Equipment Purchases:

Compliance with the six-month rule will be met with an encumbrance, by the six-month date, for the full amount of the project identified in the project plan. The department controller or institution CFO and project manager will certify compliance to the SCO.

-or-

The project plan may contain a project amount, proposed by the department or institution and agreed to by the CDC, to be encumbered by the six-month date that is less than the full amount of the project as identified in the project plan. The CDC will communicate the approved encumbrance amount to the SCO as a waiver recommendation under C.R.S. 24-30-1404(7). The SCO will issue the waiver letter to the department or institution. If the department or institution cannot encumber this amount by the six-month date, it must submit a new waiver request or revert the project funds.

Other Issues

➤ Projects with multiple phases.

The six-month rule requirement is generally monitored for compliance in the first phase of a project. If subsequent phases of a project are dependent on the first phase, once compliance is met in the first phase of the project, additional phases do not have a six-month rule requirement. If multiple phases of a project are designed as stand-alone projects, each phase or the project will be required to meet the six-month rule.

➤ Project Plans

The Office of State Planning and Budgeting (OSPB), Colorado Commission on Higher Education (CCHE), and State Buildings Programs are responsible for monitoring spending on capital construction or controlled maintenance projects to determine the department or institution has complied with the intent of the project plan.

Appendix G:

Special Instructions for Higher Education Information Technology Program Plans

The technology program plans should follow the outline below.

Planning Linkages

1. Master Plan Linkage – Identify systems, objectives, measures, linked to institutional master plan.
2. Technology Master Plan – If no plan has been developed, include earliest date that a plan might be produced, then establish:
 - The title, date, and approval authority for the plan.
 - Context and phasing of proposed project (i.e., prior projects that provide the necessary infrastructure for this project, and what subsequent projects will in turn rely on this project as infrastructure and how this is documented.

Project Details

1. Problem
 - Describe the problem or opportunity to be addressed.
 - Who are the beneficiaries of the project? What is the need that must be met? What usage levels are anticipated?
2. Requirements, Mission and Technical. Describe the requirements for the proposed project from both the mission critical and technical perspective.
3. Alternatives. Identify alternatives examined to solve problem. Explain why chosen alternative was selected.
4. Outcomes, Expected Results
 - Describe the expected, visible outcome, change, or result and quantify its value in specific terms.
 - Justify the project in terms of practical, quantifiable, major benefits to accrue.
5. Project Description. Describe the “what, who, when, why, and how.”

6. **Technical Feasibility and Sound Technology.** Describe and defend the technological feasibility of the project, how it uses existing, current, proven technology creatively and indicate the foreseeable life-span of the technology.

Project Management. Management personnel, accountability, timeline, milestones, resources, and contingencies in completing the proposed project. Describe project management systems to be used in monitoring progress and planning for contingencies.

Alignment with State and DHE Initiatives. Describe and document how the project is aligned with each State and DHE initiative: (provide description for those that apply, otherwise indicate, "Not Applicable"):

1. DHE

- a) Provides full access to campus networks
- b) Provides access to modern computers and software
- c) Ensures minimum Internet access to faculty, students, and administration
- d) Provides network support to accommodate demand
- e) Provides for technology-enhanced classrooms and labs
- f) Provides for training and development to ensure proficient use of information technology
- g) Provides for electronic student services
- h) Supports efficient use of information for administrative workflow processing, decision-making, and reporting both within the institution and with DHE
- i) Provides digital library resources
- j) Provides systems to support outreach
- k) Supports distance learning to increase student access to instruction
- l) Promotes the coordination of distance learning development within governing board system and within institution
- m) Supports the workforce needs of Colorado employers
- n) Other

2. STATE

- a) Makes use of the Multi-use Network
- b) Makes use of the Beanpole Fund
- c) Streamlines service to the beneficiaries
- d) Implements cutting-edge technologies
- e) Transforms the institution by implementing uses of the Internet for e-commerce and new management efficiencies
- f) Replaces costly, cumbersome procedures with paperless, on-line methods
- g) Builds on Colorado's world-recognized leadership in the development of telecommunications technology
- h) Other